



Leverage
People



Leverage
Tools



AppliCAD
WHERE
INNOVATION
BEGINS.



Leverage
Business



ANNUAL REPORT 2021
(Form 56-1 One Report)

AppliCAD Public Company Limited



Innovation Changes Everything.

AppliCAD is Where Innovation Begins.

AppliCAD Public Company Limited

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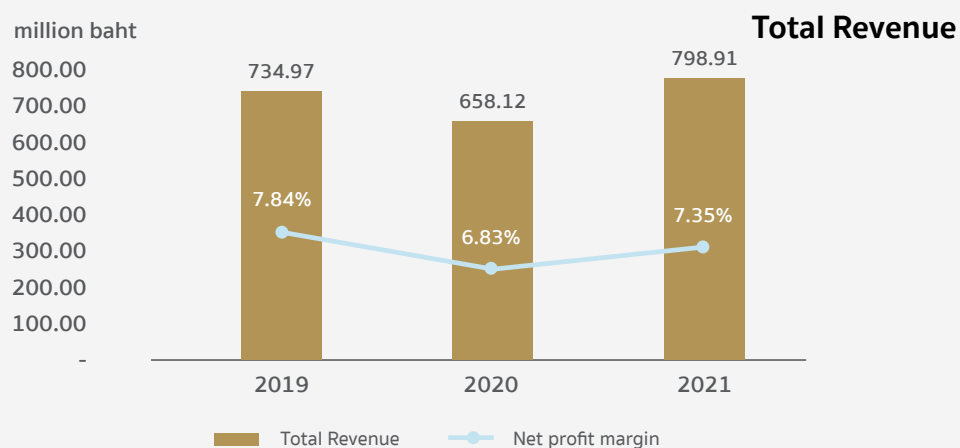
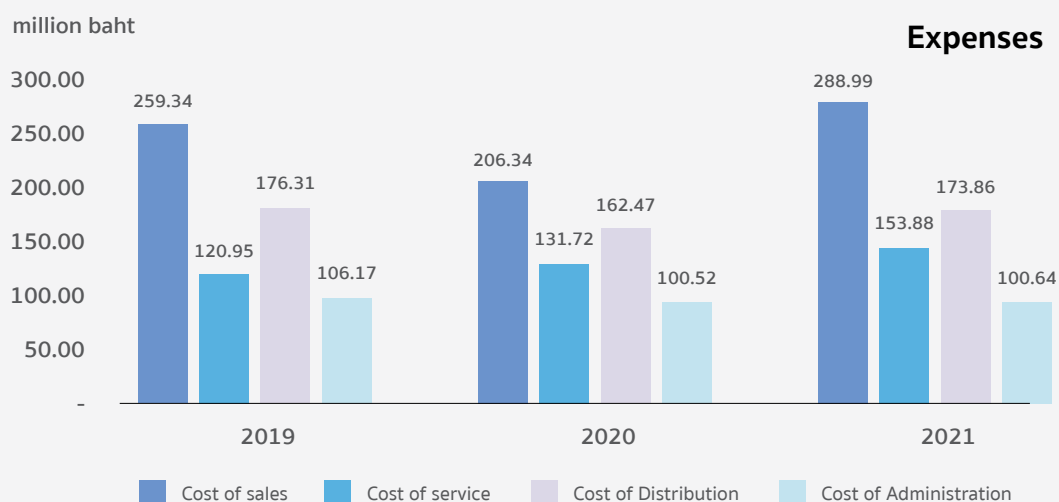
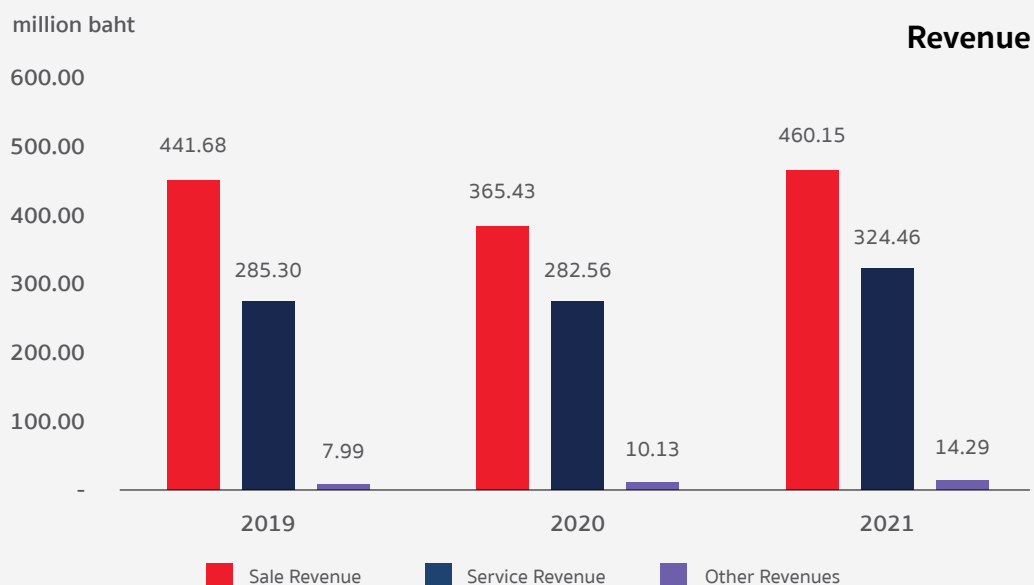
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Important Financial Information



Important Financial Information

(million baht)

Operation Performance (million baht)	2019	2020	2021
Sales revenue	441.68	365.43	460.15
Service revenue	285.30	282.56	324.46
Other revenues	7.99	10.13	14.30
Total revenue	734.97	658.12	798.91
Cost of sales	259.34	206.34	288.99
Cost of Service	120.96	131.72	153.88
Cost of distribution	176.30	162.47	173.86
Cost of administration	106.16	100.18	100.31
Total expense	662.76	600.71	717.04
Profit (Loss) before financing expenses and income taxes	72.21	57.41	81.87
Financial cost	0.01	0.34	0.33
Profit (loss) before income tax	72.20	57.07	81.54
Income	14.59	12.09	22.81
Net profit (loss)	57.63	44.98	58.73

Financial Position (million baht)	2019	2020	2021
Total assests	615.45	660.44	732.92
Total liabilities	292.02	320.28	375.71
Total shareholders' equity	323.43	340.16	357.21

Information per share (baht)	2019	2020	2021
Earnings per share	0.28	0.16	0.21
Dividend	0.10	0.15	0.20

Financial ratios	2019	2020	2021
Gross profit margin - service (%)	41.28	43.54	37.20
Gross profit margin (%)	57.60	53.38	52.57
Net profit margin (%)	47.69	47.83	43.56
Return on equity (%)	7.84	6.83	7.35
Liquidity ratio (time)	27.58	13.22	16.75
Debt to equity ratio (time)	1.99	1.94	1.95
Gross profit margin - service (%)	0.90	0.94	1.05

Message from Chairman of Board of Directors

To Shareholders

In 2021, AppliCAD Public Company Limited has adapted and changed in many dimensions under the situation of the COVID-19 epidemic that continues to spread. In addition to affecting the health of the body, it also has been affecting the mental health of all of us. whether it is panic infection, anxiety, including a lack of confidence in the treatment process as well as having to face the economic downturn which is resulting in less income or having to lose their jobs which has a broad impact. And it is not yet possible to predict when it will end. which inevitably causes difficulties in the livelihood, social, economic, and business sectors.

The Company's business operations in the past year, although the manufacturing sector, which is the main source of income for the Company, will be affected, the Company has closely monitored and monitored the economic situation, including support for adaptation to change and the development of the Company's potential both personnel and products. The Board of Directors and the Company's executives are well aware that we must adapt to mitigate the impact of this crisis. Including strictly controlling the Company's expenses in every aspect, as well as looking for the ways to expand the business into new businesses that have good growth opportunities to create stability in the long term, along with taking care of employees' business partners, customers, and society, and cooperate with those involved in the defense to overcome this crisis together.

On behalf of the Board of Directors, Executives and employees of AppliCAD Public Company Limited, I would like to take this opportunity to convey my concern and good wishes to the shareholders, business partners, partners, communities, all stakeholders. I would like to send my encouragement to everyone to get through the COVID-19 epidemic well. Finally, thank you all for your trust and support in the Company's business operations as always, as well as thanks to the management team and all employees for their dedication to perform duties for the Company to the best of their ability. Please be assured that the Board of Directors, executives and employees of the Company will strive to perform duties with awareness and responsibility and sincerely hope that everyone will continue to support and grow steadily with the Company to create sustainable returns for shareholders.



Asst.Prof.Dr. Prasert Kanthamanon
Chairman of Board of Directors

CEO's Message

To Shareholders

In 2021, we have faced many challenges, especially the epidemic of coronavirus disease 2019 or COVID-19 that makes work difficult whether organizing off-line marketing activities or meeting customers. Our team cannot be done those activities fully, making the original work must be reorganized. In addition, the crisis forced the Company to develop faster than market changes and pressures in various fields.

We must admit that we are able to deal quite well with limitations and challenges in the past year, causing the operating results in 2021 to grow at a level two digits. Although we are not satisfied, it must be considered that in this kind of situation, the Company has done its best and the results came out satisfactorily.

In 2022, we will continue to maintain both sales and profit growth with our current product portfolio and new products and services. We will offer in 2022 and beyond, such as 3D showroom building services, drawing platforms, ERP systems and other products under development. In 2021 and 2022, we have invested our energy and resources in developing new products and services through our R&D department and recruiting experts in that system. to develop to fully meet the needs of customers.

My team and I have the great confidence that in 2022 the Company will be able to grow both in revenue and profit, as well as continuous product development. The company will definitely be able to grow sustainably in the next 5 years and 10 years.

Vision: AppliCAD is Where innovation begins.

Mission: Leverage People, Leverage Tools and Leverage Business

This is what the organization has a common commitment to develop all sectors which will be beneficial both in the organization and customer business and finally all together. It will make everyone who participates benefit all together. This is our commitment.

Finally, as a responsible person of the management team of AppliCAD Public Company Limited is confident and believe that the Company will be able to generate the good performance in 2022 and in the following years and generate good returns for all stakeholders.



Sincerely Yours,

A stylized handwritten signature in blue ink, consisting of several loops and a long horizontal stroke.

Mr. Prapas Tangadulrat
CEO

Board of Directors of AppliCAD Public Company Limited



Asst.Prof.Dr. Prasert Kanthamanon
Chairman and Independent Director



Mr. Prapas Tangadulrat
Director and CEO



Mr. Somsak Worraraksa
Director and Executive Director of AEC
Business Department



Miss Thitiporn Chartaisong
Director and CFO



Mr. Prakrit Laobooncharoen

Director



Dr. Sunee Sornchaitanasuk

Chairman of Audit Committee, Independent
Director and Chairman of Nomination
and Compensation Committee



Mr. Thanin Pornsiritivet

Audit Committee, Independent Director and
Nomination and Compensation Committee



Dr. Niti Nerngchamnong

Audit Committee and Independent Director

Board and Management profile

Asst. Prof. Dr. Prasert Kanthamanon

**Position: Chairman of the Board of Directors
and Independent Director**

Age: 59 years old

Date of Being a Director of the Company

- 25 December 2012

Shareholding in the Company (%)

(As of 30 December 2021)

- None

Meeting attendance

- Board of directors 4/4 times

Education

- Ph.D. Computer Engineering, School of Computer Science and Engineering, University of New South Wales, Australia
- Bachelor of Engineering (Electrical Engineering), King Mongkut's University of Technology Thonburi

Completed Program from Thai Institute of Directors (IOD)

- Directors Certification Program (DCP), Class 151/2018

Working Experiences

- 2012 – Present Chairman of the Board of Directors and Independent Director, AppliCAD Public Company Limited
- 2019 - Present Vice Chairman, Innovation Development Foundation, King Mongkut's University of Technology Thonburi
- 2015 - Present Director, Nawawiwat Company Limited
- 2015 - 2019 Director, Innovation Development Foundation, King Mongkut's University of Technology Thonburi
- 2010 - Present Senior Vice Rector for Administrative Affairs and Chief Information Officer, King Mongkut's University of Technology Thonburi



Mr. Prapas Tangadulrat

Position: Director and Chief Executive Officer

Age: 52 years old

Date of Being a Director of the Company

- 22 May 2012

Shareholding in the Company (%)

(As of 30 December 2021)

- 57.15

Meeting attendance

- Board of directors 4/4 times

Education

- Master of Business Administration,
Bangkok University
- Bachelor of Engineering (Computer Engineering),
King Mongkut's University of Technology Thonburi

Completed Program from Thai Institute of Directors (IOD)

- Directors Accreditation Program (DAP),
Class SET/2012

Working Experience

- 2013 - Present Chief Executive Officer,
AppliCAD Public Company Limited
- 2012 - Present Director, AppliCAD Public
Company Limited
- 2013 - Present Director, DETI Company Limited
- 2013 - Present Director, PT. Indonesia
AppliCAD Company
- 2011 - Present Director, Ribbit Prototype
Company Limited



Mr. Somsak Worraraksa

**Position: Director and Executive Director
of AEC Business Department**

Age: 52 years old

Date of Being a Director of the Company

- 22 May 2012

Shareholding in the Company (%)

(As of 30 December 2021)

- None

Meeting attendance

- Board of directors 4/4 times

Education

- Bachelor of Engineering (Computer Engineering),
King Mongkut's University of Technology Thonburi

**Completed Program from Thai Institute of Directors
(IOD)**

- Directors Accreditation Program (DAP),
Class SET/2012

Working Experiences

- 2012 - Present Director, AppliCAD Public
Company Limited
- 2009 - Present Executive Director of AEC Business
Department, AppliCAD Public
Company Limited



Miss Thitiporn Chartaisong

Position: Director and Chief Financial Officer

Age: 53 years old

Date of Being a Director of the Company

- 22 May 2012

Shareholding in the Company (%)

(As of 30 December 2021)

- 0.75

Meeting attendance

- Board of directors 4/4 times

Education

- Bachelor of Accountancy (Accounting and Finance),
Ramkhamhaeng University

Completed Program from Thai Institute of Directors (IOD)

- Directors Accreditation Program (DAP), Class SET/2012
- Company Secretary Program (CSP), Class 48/2012
- Driving Company Success with IT Governance (ITG),
Class 1/2016
- Training of Internal Audit, Class 2 from Federation of
Accounting Professions

Working Experiences

- 2012 - Present Director, AppliCAD Public
Company Limited
- 2009 - 2019 Executive Director of Central
Administration Department,
AppliCAD Public Company Limited
- 2019 - Present Chief Financial Officer, AppliCAD
Public Company Limited
- 2013 - Present Director, DETI Company Limited
- 2011 - Present Director, Ribbit Prototype Company Limited



Mr. Prakit Laobooncharoen

Position: Director

Age: 52 years old

Date of Being a Director of the Company

- 23 August 2013

Shareholding in the Company (%)

(As of 30 December 2021)

- None

Meeting attendance

- Board of directors 4/4 times

Education

- Bachelor of Engineering (Manufacturing Engineering), King Mongkut's University of Technology North Bangkok

Completed Program from Thai Institute of Directors (IOD)

- Directors Accreditation Program (DAP),
Class 150/2018

Working Experiences

- | | |
|----------------|---|
| 2016 - Present | Director, AppliCAD Public Company Limited |
| 2014 - Present | Director, Prime Design Solutions
Company Limited |
| 2013 - 2015 | Executive Director,
AppliCAD Company Limited |
| 2000 - 2013 | Executive Director, Solid System
Company Limited |



Dr. Sunee Sornchaitanasuk

**Position: Chairman of Audit Committee, Independent Director
and Chairman of Nomination and Compensation Committee**

Age: 60 years old

Date of Being a Director of the Company: 3 February 2018

Shareholding in the Company (%) (As of 30 December 2021)

- None

Meeting attendance

- Board of directors 4/4 times
- Audit committee 4/4 times
- Nomination and Compensation Committee 1/1 time

Education

- Doctor of Philosophy (Communication Management), Suan Dusit University
- Master of Business Administration (Industrial Business), King Mongkut's University of Technology North Bangkok
- Bachelor of Accountancy (Accounting), Thammasat University

Completed Program from Thai Institute of Directors (IOD)

- Directors Certification Program (DCP), Class 53/2005
- Directors Accreditation Program (DAP), Class 28/2004
- Audit Committee Program (ACP), Class 5/2005
- Role of Chairman Program (RCP), Class 18/2008

Working Experiences

- 2018 - Present Chairman of Audit Committee, Independent Director and Chairman of Nomination and Compensation Committee AppliCAD Public Company Limited
- 2018 - Present Chairman of the Audit Committee and Independent Director, B.Grimm Power Public Company Limited
- 2016 - Present Chairman of the Audit Committee and Independent Director, Namyongterminal Public Company Limited
- 2015 - Present Chairman of the Audit Committee and Independent Director, Siam City Cement Public Company Limited
- 2015 - Present Chief Executive Officer, AMC Medical Center (Thailand) Company Limited
- 2013 - Present Director, CPA Associate (Thailand) Company Limited
- 2003 - Present Director, NFC Public Company Limited



Mr. Thanin Pornsiritivet

**Position: Audit Committee, Independent Director
and Nomination and Compensation Committee**

Age: 52 years old

Date of Being a Director of the Company

- 25 December 2012

Shareholding in the Company (%)

(As of 30 December 2021)

- None

Meeting attendance

- Board of directors 4/4 times
- Audit committee 4/4 times
- Nomination and Compensation Committee 1/1 time

Education

- Master of Business Administration,
St. Louis University, USA
- Bachelor of Commerce and Accountancy,
Chulalongkorn University

Completed Program from Thai Institute of Directors (IOD)

- Directors Certification Program (DCP), Class 243/2017

Working Experiences

- 2012 - Present Audit Committee, Independent Director and
Nomination and Compensation Committee
AppliCAD Public Company Limited
- 2017 - Present Director, Iconsiam Signature
Company Limited
- 2016 - Present Director, Iconsiam Retails Company Limited
- 2015 - Present Director, ICS Company Limited
- 2011 - Present Director, DPAC Corporation Company Limited
- 2010 - Present Director, Magnolia Quality Development
Corporation Company Limited
- 2015 - Present Chief Financial Officer, DT Group of
Companies Corporation Company Limited
- 2016 - Present Director, Siam Rivea Company Limited
- 2018 - Present Director, The Chaopraya River Assets
Holdings Company Limited



Dr. Niti Nerngchamnon

Position: Audit Committee and Independent Director

Age: 41 years old

Date of Being a Director of the Company

- 13 August 2021

Shareholding in the Company (%) (As of 30 December 2021)

- None

Meeting attendance

- Board of directors 1/1 times
- Audit committee 1/1 times

Education

- Doctor of Laws, Sripatum University
- Master of Laws, Assumption University in collaboration with Indiana University
- Bachelor of Laws, (Academic Excellence), Assumption University

Completed Program from Thai Institute of Directors (IOD)

- Director Leadership Certification Program (DLCP) Class 1/2021
- Board Nomination and Compensation Program (BNCP) Class 11/2021
- Advanced Audit Committee Program (AACP) Class 39/2021
- Role of the Chairman Program (RCP) Class 47/2021
- IT Governance and Cyber Resilience Program (ITG) Class 16/2021
- Risk Management Program for Corporate Leaders (RCL) Class 22/2021
- Successful Formulation and Execution of Strategy (SFE) Class 34/2021
- Ethical Leadership Program (ELP) Class 21/2021
- Director Certification Program (DCP) Class 300/2020
- Director Accreditation Program (DAP) Class 113/2014

Working Experiences

- Independent Director and Audit Committee, Applacad Public Company Limited
- Independent Director, Interhyde Public Company Limited
- Director, Modernform Health and Care Public Company Limited
- Director, Thai Institute of Association Chartered Institute of Arbitrators "CIArb"
- Arbitral Tribunal of the Thailand Arbitration Center (THAC)



Dr. Isra Akrapitak

**Position: Nomination and Compensation Committee,
Executive Director
and Chief Operating Officer**

Age: 52 years old

Date of Being a management of the Company

- 29 April 2015

Shareholding in the Company (%)

(As of 30 December 2021)

- 0.71

Education

- Doctor of Philosophy (Business Administration),
University VAN Amsterdam
- Master of Business Administration, University of Portsmouth
- Master of Management, Thames Business School
- Bachelor of Business Administration, Assumption University

Completed Program from Thai Institute of Directors (IOD)

- Directors Accreditation Program (DAP),
Class 81/2009

Working Experiences

- 2014 - Present Nomination and Compensation Committee,
Executive Director and Chief Operating Officer
AppliCAD Public Company Limited
- 2014 - Present Director, DETI Company Limited
- 2014 - Present Director, PT. Indonesia
AppliCAD Company
- 2009 - 2013 Director and Chief Financial Officer,
GJ Steel Public Company Limited
- 1992 - 2010 Head of Global Network Operation,
France Telecom



Mr. Jeerawat Kulsapudom

**Position : Executive Director
and Chief Growth Officer**

Age: 51 years old

Date of Being a management of the Company

- 14 June 2021

Shareholding in the Company (%)

(As of 30 December 2021)

- 0.018

Education

- Master of Business Administration, Kasetsart University
- Bachelor of Engineering (Computer Engineering),
King Mongkut's University of Technology Thonburi

Completed Program from Thai Institute of Directors (IOD)

- Directors Accreditation Program (DAP), Class 151/2018

Working Experiences

- 2021 - Present Executive Director and Chief Growth Officer,
AppliCAD Public Company Limited
- 2012 - 2021 Audit Committee and Independent Director,
AppliCAD Public Company Limited
- 2017 – Present Head of Ecosystem, Siri Ventures
Company Limited
- 2002 – 2017 Audience Evangelism Manager, Director,
Microsoft (Thailand) Company Limited



Mr. Thussanai Paisiriyaunyong

Position: Executive Director

Age: 53 years old

Date of Being a management of the Company

- 7 August 2018

Shareholding in the Company (%)

(As of 30 December 2021)

- None

Education

- Bachelor of Engineering (Manufacturing Engineering),
King Mongkut's University of Technology North Bangkok

Completed Program from Thai Institute of Directors (IOD)

- None

Working Experiences

2018 - Present Executive Director,
AppliCAD Public Company Limited

2011 - Present Director and General Manager,
Ribbit Prototype Company Limited



Mr. Krirkrit Jearnkamonchuen

Position : Director of MEC business
And Director of 3D Printing
Solution business

Age: 42 years old

Date of Being a management of the Company

- 29 April 2015

Shareholding in the Company (%)

(As of 30 December 2021)

- 0.0001

Education

- Bachelor of Engineering Program in Production Engineering, King Mongkut's University of Technology Thonburi

Completed Program from Thai Institute of Directors (IOD)

- None

Working Experiences

- | | |
|----------------|---|
| 2015 - Present | Director of MEC business and Director of 3D Printing Solution business, AppliCAD Public Company Limited |
| 2012 - 2015 | Deputy Director, of MEC business, AppliCAD Public Company Limited |



Mr. Chayo Petcharat

**Position : Director of Research
and Development**

Age: 44 years old

Date of Being a management of the Company

- 27 January 2014

Shareholding in the Company (%)

(As of 30 December 2021)

- 0.08

Education

- Master of Business Administration in Marketing, Ramkhamhaeng University
- Bachelor of Engineering Program in Industrial Engineering, Rajamangala University of Technology

Completed Program from Thai Institute of Directors (IOD)

- None

Working Experiences

2000 - Present Director of Research and Development, AppliCAD Public Company Limited



Mrs. Khwanchai Viriyasumon

Position : Accounting Manager
AppliCAD Public Company Limited

Age: 46 years old

Date of Being a management of the Company

- 1 April 2013

Shareholding in the Company (%)

(As of 30 December 2021)

- 0.0004

Education

- Bachelor of Business Administration, Accountancy,
Ramkhamhaeng University

Completed Program from Thai Institute of Directors (IOD)

- None

Working Experiences

2013 - Present Accounting Manager -
 AppliCAD Public Company Limited

2009 - 2013 Accountant - AppliCAD Public
 Company



Miss Phemzetha Zibhungyarnut

Position : Accounting Manager - Subsidiaries

Age: 40 years old

Date of Being a management of the Company

- 28 February 2018

Shareholding in the Company (%)

(As of 30 December 2021)

- None

Education

- Bachelor of Business Administration, Accountancy,
Suan Dusit University

Completed Program from Thai Institute of Directors (IOD)

- None

Working Experiences

- | | |
|----------------|--|
| 2018 - Present | Accounting Manager -
Subsidiaries of AppliCAD
Public Company Limited |
| 2013 - 2018 | Accountant - Subsidiaries
of AppliCAD Public
Company Limited |





Nature of Business Operation and Operating Performance

1. Business Structure and Operation of the Company

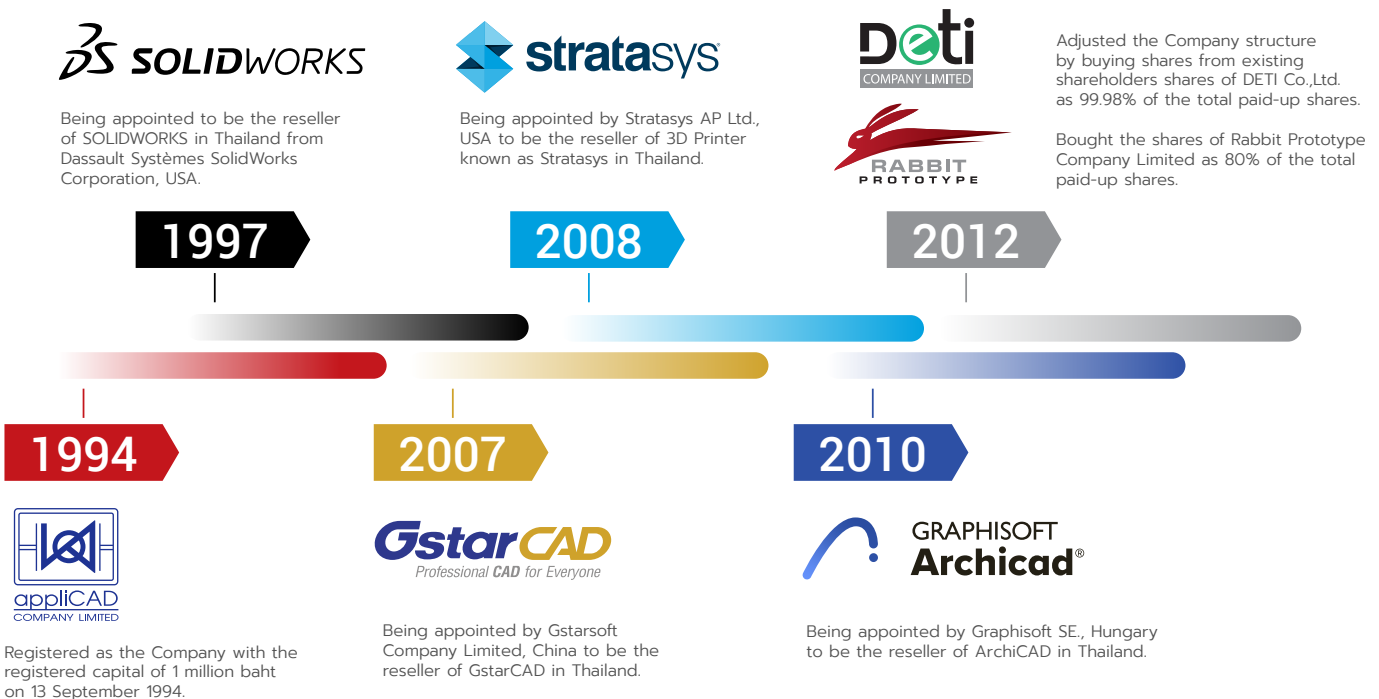
1.1 Business Policy and Overview

AppliCAD Public Company Limited (“the Company” or “APP”) or previously known as AppliCAD Public Company was established on 13 September in order to conduct the business as a distributor of complete design solutions. The Company started the business as a distributor of AutoPLANT which is the 3D design of piping system to enhance the performance of the engineer to work faster, easier and more accurate. The founder studied the market of design software in Thailand and found the gap of the Middle Range in the market. He contacted Dassault Systèmes SolidWorks. After that, AppliCAD was appointed to be the reseller of SolidWorks in Thailand since 1997.

In order to expand its business, the Company expanded its business into the 3D Printer which can produce the work from 3D design file. After that, the Company expanded its business into the market of architectural engineering and construction design.

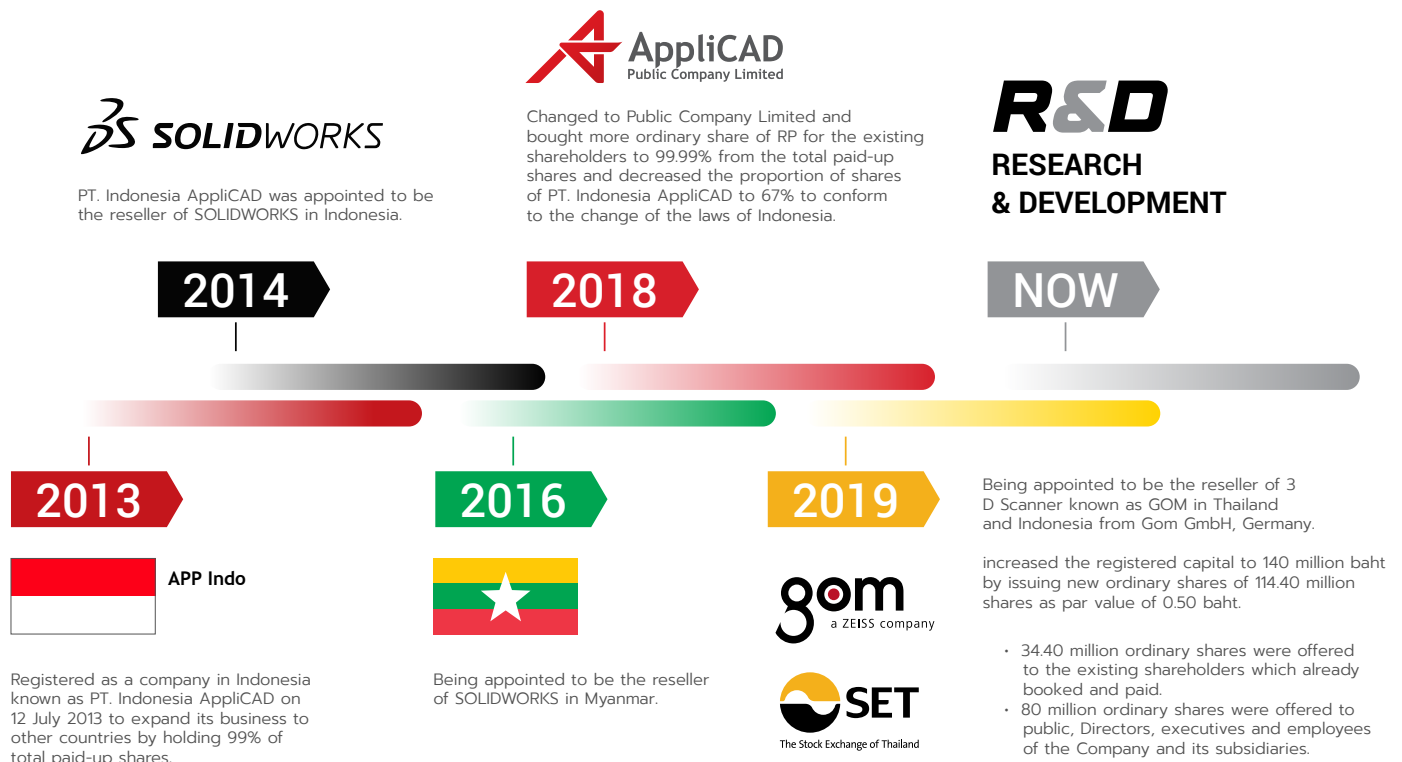
Moreover, the Company has expanded into the 3D scanner’s market which is the 3D optical measurement system in the industrial section.

To be the provider of the complete 3D design solutions for our customers, the Company has also provided the 3D design training center known as DETI Company Limited and prototyping service company known as Rabbit Prototype Company Limited. Moreover, the Company expanded its business in to Indonesia to support ASEAN Economic Community (AEC) registered as PT. Indonesia AppliCAD to provide the 3D design solutions. Subsequently, the Company was transformed into a public company to be a listed company on the Stock Exchange of Thailand and started trading in ordinary shares on the Stock Exchange of Thailand on 22 November 2019 with a paid-up registered capital of 140 million baht, divided into



3 business groups: software distribution business, distribution business 3D design products (Hardware) and business services (Services).

After all this time, the Company has committed to provide the best products and technologies to create the greatest satisfaction for customers by searching for new products and technologies to grow the customers' business for Mechanical Solution: MEC, Architectural Engineering & Construction: AEC and 3D Design products (Hardware); 3D Printing and 3D Scanner as well as other related services. As a result, the Company has gained more trust from its customers and products' owners and to support the growth in the market.





Vision, Mission and Goal

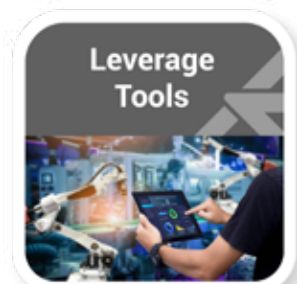
Vision

**“Innovation Changes Everything.
AppliCAD is Where Innovation Begins.”**

Goal

“To be recognized as the leading company for consulting and selecting the technological products to encourage the creation of creative innovation of design and manufacturing as well as construction in Southeast Asia”

Mission



Major Change and Development

AppliCAD Public Company Limited and its subsidiaries have continuously developed the organization to ensure efficient business operations. The company's major developments in the past 3 years are as follows:

2019

- The Company was appointed to be the reseller of 3D Scanner known as GOM in Thailand from Gom GmbH, Germany and PT. Indonesia AppliCAD was also appointed to be the reseller of 3D Scanner known as GOM in Indonesia.
- In May 2019, PT. Indonesia AppliCAD reclassified the shares into Series A of 89,100 shares or as 33% of the total paid-up shares held by Mr. Ibnu Afi Sena, the Indonesian shareholder and Series B of 180,900 shares or 67% of the total paid-up shares held by the Company. Moreover, the Company was entitled to receive the dividend before the Series A's shareholder of 95% from the total dividend announced by PT. Indonesia AppliCAD.
- The business of 3D Printer as General use of Rabbit Prototype Company Limited was transferred to the Company.
- The Company increased the registered capital of 57.20 million baht from the current registered capital of 82.80 million baht to 140 million baht by issuing new ordinary shares of 114.40 million shares as par value of 0.50 baht
- Listed on the Stock Exchange of Thailand On November 22, 2019, the shares were traded on the first day of trading on the Stock Exchange of mai in the Technology Group. By using the initial as "APP".



2020

- The Company has developed the online platform known as CADThai to facilitate the customers as a comprehensive collection of tools, knowledge and models as well as increasing the communication channels with the industry entrepreneurs, designers, engineers, architects, manufacturing plants and freelancers.
- The Company has researched and developed Robotendy, which is an automatic mixer by robot that can replace the shortage of service workers.
- The Company received the "PDPA Compliance" award from the award announcement of "Preparation under the Personal Data Protection Act 2019 - PDPA Awards 2020" organized by the Securities and Exchange Commission together with the Office of the Personal Data Protection Committee Faculty of Law, Chulalongkorn University and Thailand Productivity Institute.



2021

- The company has launched a new service model to meet digital work needs and drive industrial solutions:
 - 3DEXPERIENCE
 - XR service



3DEXPERIENCE®



1.2 Nature of Business Operation



SOFTWARE

Business of Design Software

- + Software for industrial design
- + Software for architectural design and construction



HARDWARE

Business of Design Software

- + 3D Printer
- + 3D Scanner
- + Equipment and consumables



SERVICES

Service related to 3D design solution

- + Subscription Service
- + 3D design services according to customer's requirements
- + XR Service
- + Prototype and low volume production
- + Training Services (DETI Training Center)

1. Summary of each business unit of the Company

Product/ Service	Each business unit of the Company			
	AppliCAD	RP	DETI	APP Indo
Distribution Business of Design Software (Software)				
Industrial design software (MEC)	✓	-	-	✓
Architectural and Construction design software (AEC)	✓	-	-	✓
Distribution Business of 3D Design (Hardware)				
3D Printer for Industrial Grade	✓	-	-	✓
3D Printer for General Use	✓	-	-	-
3D Scanner	✓	-	-	✓
Service				
Subscription Service	✓	-	-	✓
3D Design as requirement	✓	-	-	-
Prototyping and Low Volume Production	-	✓	-	-
Training Service	-	-	✓	-
XR Service	✓	-	-	-

2. Revenue Structure of the Company

From 2019 - 2021, the revenue structure of the Company can be summarized as follows:

Type of Revenue	2019		2020		2021	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenues from Sales						
- Design Software	287.38	39.10	278.20	42.27	265.77	33.27
- 3D Design Product	154.30	20.99	87.23	13.25	194.39	24.33
Total Revenues from Sales	441.68	60.09	365.43	55.52	460.16	57.60
Total Revenues from Services	285.30	38.82	282.56	42.94	324.46	40.61
Other Income*	7.99	1.09	10.13	1.54	14.29	1.79
Total Revenues	734.97	100.00	658.12	100.00	798.9	100.00

Remark: Other significant revenues consist of commission and marketing subsidy from the owners of the products of which the Company is a distributor and gain from exchange rate.

3. Product information

The Company distributes solutions for 3D design and provides a full range of related services as following details:

Characteristics of product and service and innovation development

3.1. Distribution Business of Design Software

The design software distribution business operated by APP and APP Indo is the main revenue generating business for the Company, representing 65.07%, 76.13% and 57.76 of sales revenue in 2019 - 2021 respectively. The distribution of software to customers is mainly the nature of software licenses. The design software distributed by the Company can be divided into two main groups: Industrial and architectural and construction design software.

1. Industrial Design Software (MEC)

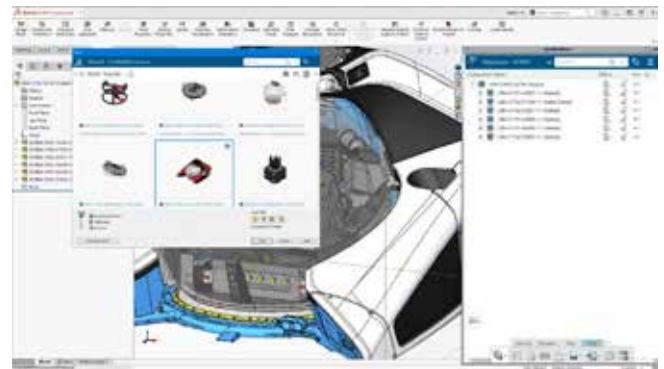
Industrial design software (MEC) is 3D Software for an aided-design of products or equipment parts, and test of the engineering property of the designed products, using Simulation software in the property analysis of parts such as strength, elasticity, as well as assembly test and movement simulation together with other parts. The revenues from sales of Industrial design software in the approximate proportion at 65% of revenues from sales of Software

The key 3D industrial design software distributed by the Company includes **SOLIDWORKS**, whereas APP has been appointed to be the distributor in Thailand from Dassault Systemes SOLIDWORKS Corporation ("DSSW"), USA, from 1997. Later in 2014, APP Indo has been appointed to be the distributor in Indonesia. In 2016, APP has been granted for SOLIDWORKS distribution license in Myanmar.

SOLIDWORKS

SOLIDWORKS is software developed by DSSW, USA, as 3D Industrial design software developed for using in Personal Computer, resulting in a simple accessibility to the users and an extensive popularity among the engineers and industrial fields. A prominent feature of SOLIDWORKS in creation of a virtual simulation of product is an ability of the user to define the details and specifications of parts, such as color, structure, volume, surface, and type of material, for using in property analysis of the part whether being a calculation to measure area, volume or weight. An assembly test and a movement simulation together with other parts, and an engineering test of the parts designed in different states prior to actual production are conducted to ensure that the designed parts can be actually and efficiently used in accordance with the required specifications. This will contribute to a reduction of the period, procedure, and cost used in design and development of the user. New version of software will be yearly updated to ensure better serve the user's need and new function will be updated to facilitate the user with various and different needs in each industry.

SOLIDWORKS distributed by APP and APP Indo is classified into three packages consisting of (1) SOLIDWORKS Standard, (2) SOLIDWORKS Professional, and (3) SOLIDWORKS Premium.



3DEXPERIENCE Platform

3DEXPERIENCE Platform is another channel to meet the changing of user behavior in the form of software as a service or SAAS by using the Cloud Service system. This platform can work seamlessly to connect with current customers. Beginners can easily learn how to use them as well and to provide better usability, DS developers have added various capabilities to 3DEXPERIENCE in the form of applications. It brings hi-end technologies developed in high-end industries such as Aerospace and Automotive to add capabilities on the platform in a flexible way based on the role of the user responsible for the specific area. This makes it easy to adapt applications to specific roles.



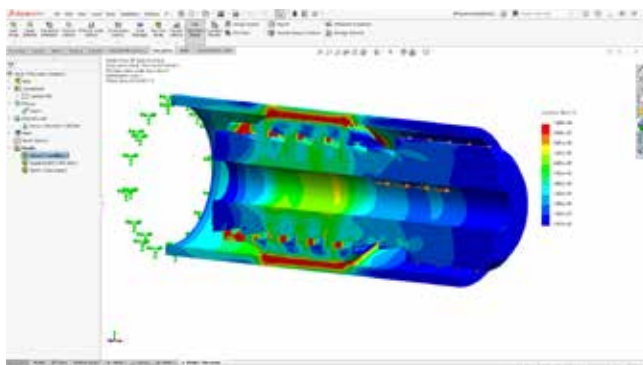
Add-on for industrial design software

Other than SOLIDWORKS which is the core software distributed by the Company, it has also distributed Add-on for industrial design software to enhance the functional capacity of SOLIDWORKS to be more efficient for serving the user's specific need. The software consisting of SOLIDWORKS Simulation, SOLIDWORKS Electrical, SOLIDWORKS Visualize, etc., are developed by DSSW; and such software consisting of SolidCAM and SolidPlant, are developed by other software developers. The usability of Add-on is in the nature of Add-on Function on Tools Bar in SOLIDWORKS (Plug-in) or a Stand-Alone software by taking file acquired from SOLIDWORKS to work on each Add-on.

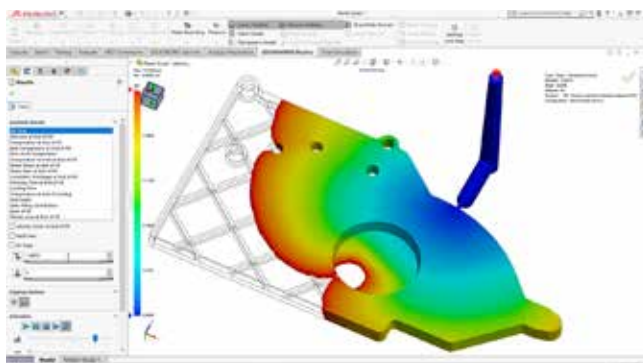
Add-on distributed by the Company can be summarized as follows.

Add-on Used for Engineering Simulation

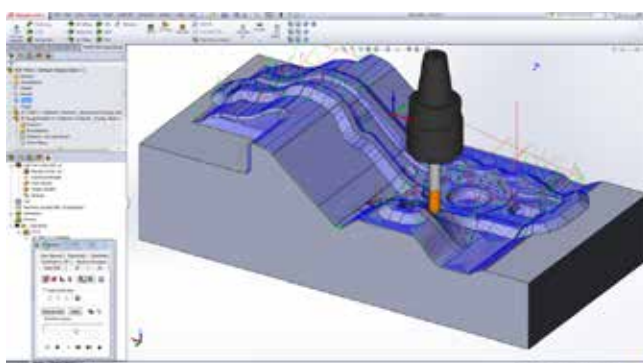
SOLIDWORKS Simulation: It is software used for analyzing the engineering property of parts designed by 3D Software to test the parts' strength, quality, and operation. Various states and forces can be determined in testing the parts. Therefore, the quality of parts can be assessed, contributing to quality improvement of the parts prior to the actual production.



SOLIDWORKS Plastics: It is software used for simulating plastics injection molding from the process of design, simulation of melt flow pattern during plastics injection molding, as well as assessment of risk from the plastics injection molding, contributing to reduction of waste from the plastics injection molding. The users can test integrity of the parts from the procedure of mold design, contributing to a more efficiency of plastics part and plastics injection mold design.



SolidCAM: It is software used for simulating milling with CNC (Computer Numerical Controlled) Machine and defines instruction for controlling the operation of CNC Machine from the file of the designed CAD parts. This software aids in defining the size of raw materials which must be used, and recommending the positioning of raw materials, determining the type of cutter; aids in defining the automatic milling path for the maximum efficiency; and shows a part milling procedure from the beginning to the end of the process.



Add-on Used for Specific Design

SOLIDWORKS Electrical: It is software used for designing an electrical system both in format of 2D and 3D together with designing a mechanical work. Bill of Material (BOM) in the design can be quickly prepared. This software also aids in an automatic wiring by linkage of BOM data to be connected with the electrical devices at the specified terminal points.



SolidPlant: It is software used for drawing the factory piping and wiring for pressure hose, factory pipe, and drain. Bill of Material (BOM) in design can be shown, and many libraries of standard parts for designing the factory wire and pipe routing are available for selecting to use.

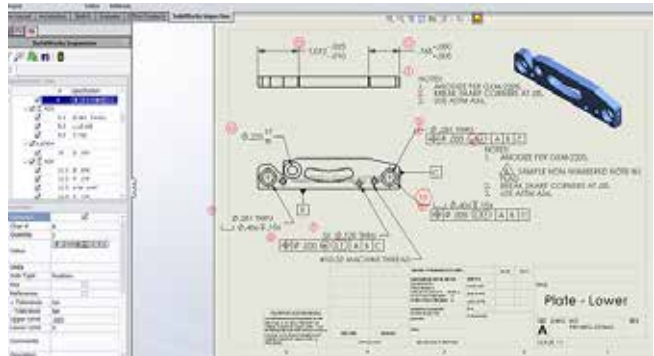


Add-on Used for Data Presentation and Data Management

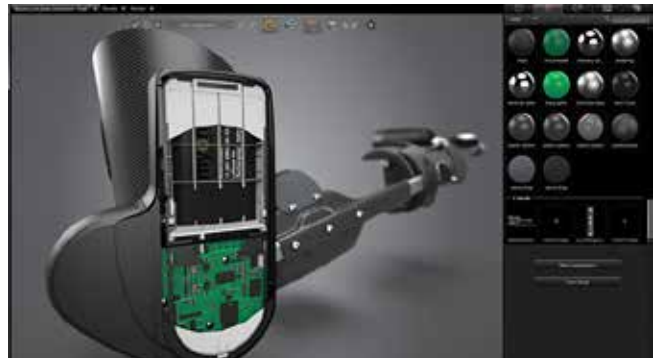
SOLIDWORKS Composer: It is software used for enhancing a technical communication potential; imaging the product components with the complicated resolution both in format of 2D and 3D images or animations to be used in preparation of the assembly and manufacturing manual, instruction manual of the product, maintenance manual, product data presentation document; and showing Bill of Material (BOM).



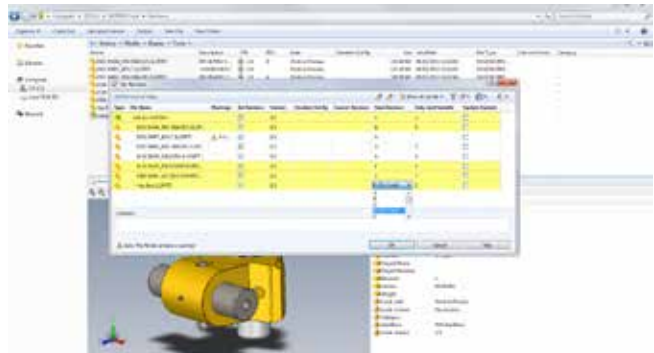
SOLIDWORKS Inspection: It is software used for preparing the documents relating to parts inspection, and it is operable with Coordinate Measuring Machine (CMM) for the parts in order to link with the parts inspection result, and automatically prepare an inspection report.



SOLIDWORKS Visualize: It is piece of software used for imaging the high-quality graphics to be used in design presentation for the reality and attractive light and shade.



SOLIDWORKS PDM Professional: It is software used for controlling, managing and building security for design data by defining the right to use and the right to access data for each user as necessary and appropriate.



Target Customer Group

The customers that are the main target groups of Industrial design software such as the businesses in the groups of automotive industry, electronic parts industry, electric appliances industry, and machine and industrial material manufacturing industry.

2. Architecture Engineering and Construction Design Software (AEC)

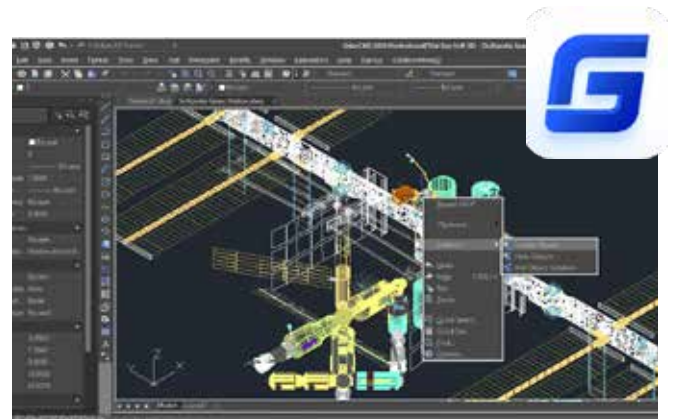
Architecture Engineering and Construction Design Software is software aiding in architecture engineering and construction design, such as building design, interior design, and building structure and system design. Revenues from sales of Architecture Engineering and Construction Design Software are in the approximate proportion at 35% of revenues from sales of software.

The core Architecture Engineering and Construction Design Software distributed the Company can be classified into 4 groups as follows.

2.1 2D Drawing Software: GstarCAD

2D Drawing Software is the 2D Computer Aided Design (CAD) in replacement of paper drawing, aiding in labour-saving and increase in working efficiency of the architects and engineers in plan drawing. However, 2D Drawing Software mainly distributed by the Company is GstarCAD.

GstarCAD is the 2D Drawing Software developed by Gstarsoft Co., Ltd., China, and accepted by many users in 65 countries worldwide. It is software which is user-friendly and can support various types of the design files, resulting in interoperability with files from other software without requirement of file conversion. This will not cause data damage.



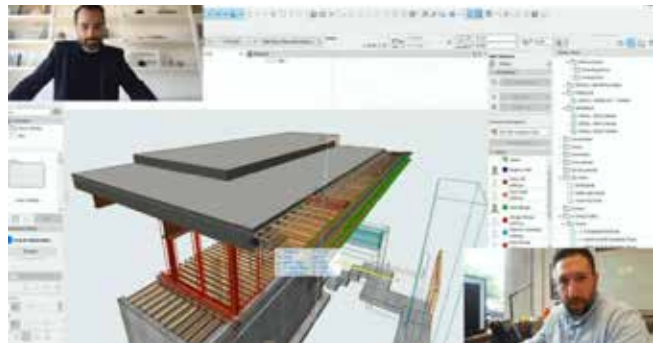
2.2 3D Building Design Software with BIM Technology: ARCHICAD

3D Building Design Software is the technology developed to display 3D modelling image, resulting in faster design, and easy data presentation and communication to the related departments. In addition, the construction drawing both of 2D plan and section image can be automatically created in 3D Drawing Software, contributing to a reduction of redundant work procedures and time-saving. However, 3D Building Design Software mainly distributed by the Company is ARCHICAD.

ARCHICAD is software developed by Graphisoft SE, Hungary. It is considered as the first 3D Building Design Software that has commenced to develop Building Information Modeling (BIM) Technology to be



used on personal computer, resulting in the extensive acceptance of the users particularly in Europe, Australia, New Zealand, and Japan. With BIM Technology, a virtual modelling of the building by ARCHICAD is precise by adding data and specifications in construction drawing. Data from different sections, whether being design, construction, engineering, and purchasing data, will be linked and integrated. BOQ (Bill of Quantity) can be extracted, resulting in the consistent interoperability of all related parties, ability to accurately estimate construction cost, and easy management of the project's progress.

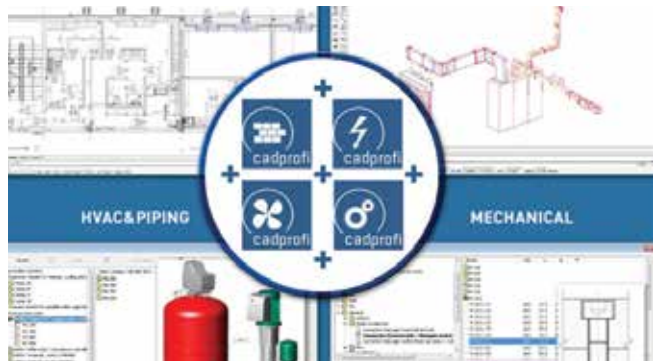


2.3 Add-on of Architecture Engineering and Construction Design Software

The Company distributes Architecture Engineering and Construction Design Software Add-on to enhance the functional capacity of GastarCAD and ARCHICAD and to serve the specific needs of the customers who are the users. The usability nature of Add-on is to add function on Tools Bar in the core software developed by other software developers. However, Add-on distributed by the Company can be summarized as follows.

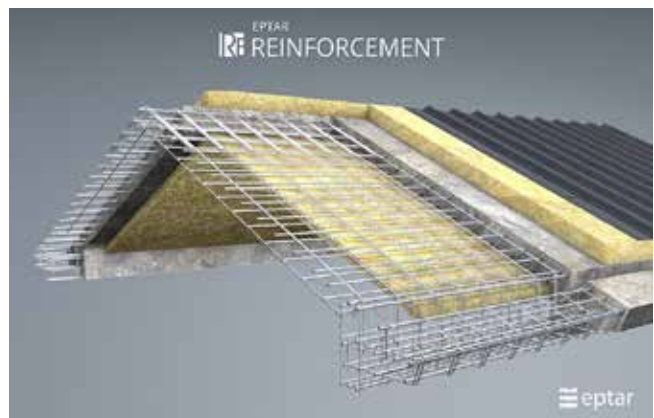
Add-on Used for 2D Drawing

CADProfi: It is software aiding in more efficient 2D drawing. A specific design-aided tool is available for extracting BOM/BOQ and Library of standard components, and it is classified into four Modules, including Architectural Design, Electrical Circuit Design, HVAC&Piping Design, and Mechanical Engineering Design.



Add-on Used for Building Design

Eptar: It is software which is interoperable with ARCHICAD, and used for designing and preparing the specifications of reinforcement structure both in 2D and 3D format. Total quantity of reinforced concrete required for using in construction can be calculated and extracted, resulting in more details of the structural work design, a reduction of the design conflict, and a reduction of the error problems in construction work.



Add-on Used for 3D Drawing

THAIBIM: It is an add-on software developed by the Company to be interoperable with ARCHICAD, aiding in more convenient working of Thai architects and contractors in construction design and drawing, and cost estimation due to the availability of instructions consisting of a building structuring in accordance with the various patterns popular for using in Thailand in Library for selecting to use; an automatic insertion of reinforcement in columns, beams, and floors; and an extraction of BOQ of the materials used in all building sections.

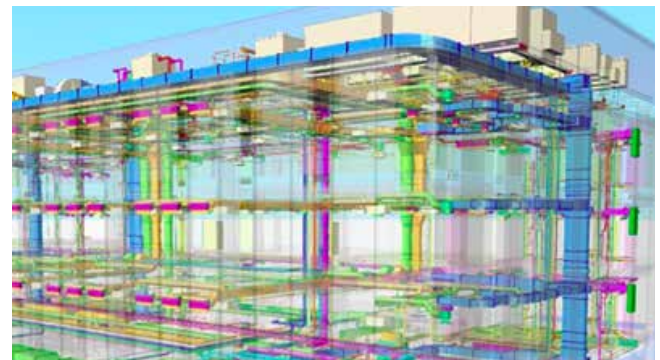


2.4 Specific Design Software

The Company distributes other 3D Software used for specific design to serve the various needs of the customers. The characteristic of this software is the Stand-Alone Software which can extend the development from the files acquired from GstarCAD or ARCHICAD. However, the specific design software distributed by the Company can be summarized as follows.

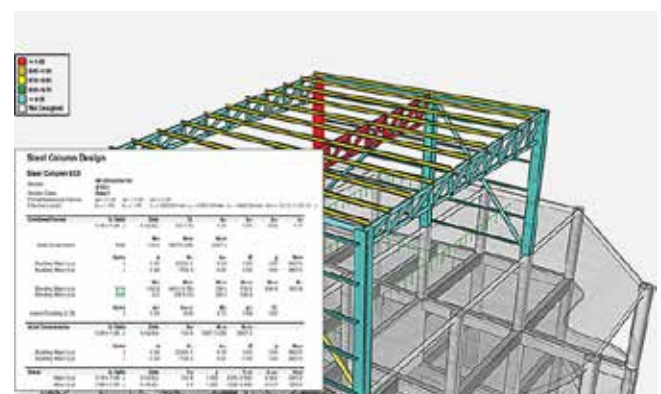
MEP System Design Software

CADEWA: It is software from Japan, which is used as aid in designing an engineering system in the building consisting of electrical system, plumbing and sanitary system, and air-conditioning system. The available easier design-aided instructions consist of a water piping of which equipment is automatically inserted, and an inspection of the system corrosion, and a count-aided instruction for the quantity of equipment used in design for the quantity extraction. This software supports BIM Technology which can input and output IFC standard files for using the data by another BIM Program.



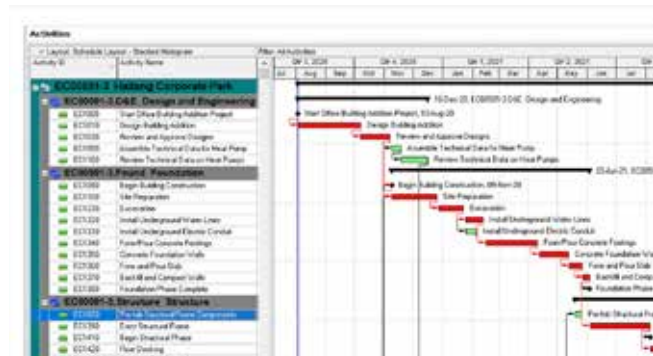
Building Strength Analysis Software

Prota Structure: It is software used by the engineers in analysis of building strength. A 3D building structural modelling can be performed and a building structural model file from other software can be used to calculate for determining the standards of steel and concrete used, and analyzing the designed building strength for inspecting whether the building can be durable in different situations. For instance, upon an occurrence of earthquake or storm, a calculation report is automatically created, contributing to the correct and rapid designing.

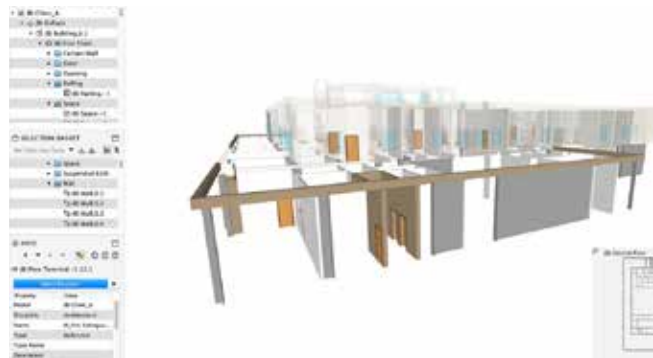


Data Management Software

Oracle Primavera: It is software used for the project management in the efficient planning, chronology, and resource control and management of the small-sized to large-sized projects that have an activity complexity and a number of the people relating to the project. This can contribute to more improvement on the related parties' cooperation, monitoring of the progress, and management of the project overview.



Solibri Model Checker: It is a software that helps to monitor BIM-designed models with various applications, including architecture, air conditioning, indoor water pipe system, structural work that must be combined to identify potential design defects such as overlapping parts, which, when detected, are corrected. It ensures complete design accuracy and reduces construction problems.



ExtrAXION: It is software used for estimating a construction cost from a construction drawing by measuring the length of the line, calculating the area, and counting the quantity of materials and equipment in a construction drawing. The calculated data can be automatically linked with Work Breakdown Structure (WBS) for calculating to find workload and expenses.



Virtual Imaging Software

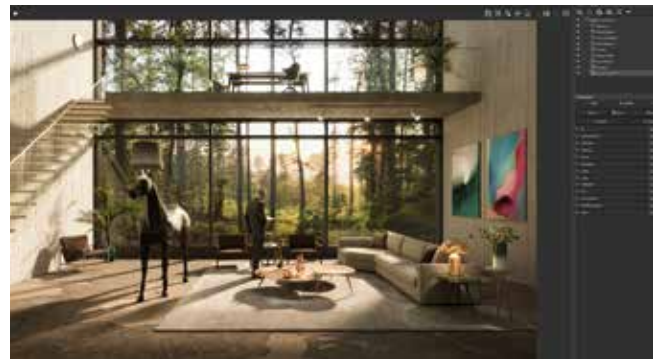
D5 Render: It is a software used to create graphics for presenting landscapes. (Perspective) high quality for building design, interior decoration, landscape work, as well as the presentation of high-quality animation in the form of a virtual landscape.



V-Ray: It is software used for graphic imaging of both exterior and interior building designs with reality and very high quality. This software must be interoperable with the main modelling program.



Twinmotion: It is software used in real-time creation of animation whereas the topography or surrounding details can be referred from Google Earth worldwide, resulting in the user's ability to accurately simulate the project location, and outer details.



General 3D Modelling Software

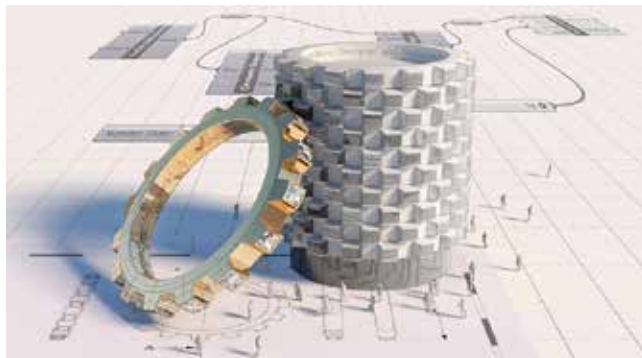
SketchUp Pro: It is 3D Design Software for house, building, and system architecture. It is designed to be user-friendly. In addition, an instruction of 3D part management in interoperability with Google Map and Google Earth is available for creating a geographical map or putting a designed building on Google Earth for creating a reality.



ZBrush: It is software used for 3D Sculpture, and consists of various user-friendly tools aiding in sculpture of the model, resulting in the user's ability to freely configure the model and correct work. The nature of its usability is similar to a real sculpture to ensure that the achievement with the remarkable special contour can be built. Therefore, this software is popular for using in high resolution model works, such as Animation work or Compute Graphic work in films.



Rhinoceros: It is software for modelling or producing 3D parts in product design requiring novelty. It is outstanding in creating Free Form, resulting the designer's ability to unlimitedly transfer his/her imagination.



Target Customer Group

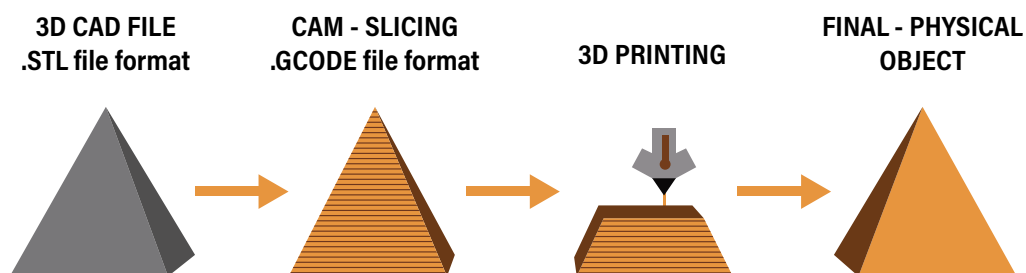
The customers in the main target group of Architecture Engineering and Construction Design Software include the entrepreneurs in the construction industrial group, such as construction contractors, architects, real estate developers, and manufacturers and distributors of construction materials, etc.

3.2. Distribution Business of 3D Design Hardware

To extend the expertise in distribution business of 3D Design Solutions, the Company has also distributed 3D Hardware such as 3D Printer, 3D Scanner as well as the related equipment. In 2019 - 2021, the Company's revenues from distribution of 3D Design Hardware were in the proportion at 34.94 %, 23.90% and 42.24% of revenues from sales and services, respectively, as following details:

1. 3D Printer

3D Printer is the technology of part production from 3D CAD File with Additive Manufacturing Process using computer for calculating data from 3D CAD File in order to continue printing material texture into layers at a micron level resolution (1 micron is 0.001 mm.) to be a virtual part as designed. The said part is tangible and really utilizable, resulting in the designer's ability to quickly and accurately produce a part.



At present, 3D Printer and materials used for printing and distributed by the Company can be classified into two groups, consisting of Industrial Grade 3D Printer and General Use 3D Printer. The details of the said products are as follows.

1.1 Industrial Grade 3D Printer

This type of 3D Printer distributed by APP and APP Indo is a large-sized printer with high precision, and able to precisely, accurately, and quickly manufacture the complicated part. The various types of materials used in printing are used so that the various engineering properties of part can be determined. Therefore, it is suitable for various industries, such as Automotive, Aerospace, Electrical Appliance, Health Care, and Dental, etc.

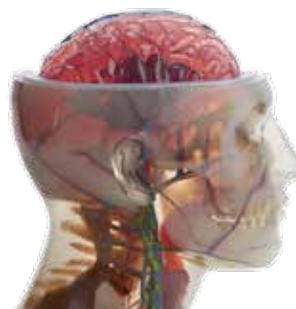
The Industrial Grade 3D Printer, such as 3D Printer in Stratasys Brand from United States of America, is distributed by APP and APP Indo which are the world market leaders of 3D Printers. Stratasys 3D Printing Technology can be classified into materials and a technology used for printing part as follows.

3D Printer - FDM (Fused Deposition Modeling) System from Stratasys

3D Printer - FDM System has currently been the most popular and usable printer. This printer uses thermo plastic materials such as ABS, PLA, PET, Nylon, etc., which are plastics that can be formed for recycling after melting. The functional process of this type of printer starts from melting plastic filaments to become fluids and then injecting them to be filaments with an injector in plane level into layers to form part in accordance with 3D design file data. The characteristic of the acquired part is an opaque solid object. Therefore, it is suitable for works in type of which the part strength is required, for instance, sample of assembly testing part, Jig & Fixture, End Use Part, and medical device, etc.

3D Printer – Polyjet System

It is 3D Printer - Polyjet System that uses material in type of Photo Resin in printing. Resins are hardened at the light exposure point. The functional process of this type of printer starts from injecting fluid resins out and then radiating with UV to harden them. Therefore, the figure is continually formed into layer by layer to acquire high resolution part as required. This printer can print a work with several colors or several materials in one piece. Therefore, it is suitable for a work with fine surface, or a work requiring attractiveness, such as Model, product sample, and dental work, etc.



1.2 3D Printer for engineer and designer

This type of 3D printer, distributed by APP, is a small but packed 3D printer with features from industrial-grade machines. It is suitable for 3D printers at the desks of engineers and designers to model and experiment with various functions in product development or production aids as follows:

3D printer, FDM system (Fused Deposition Modeling) from MakerBot

The FDM 3D printer from MakerBot, a Stratasys subsidiary, is another popular model among beginners but supports industrial applications. It features price and print quality to support prototype printing and to create a sample of the work that must be tested. It can also choose from a wide range of printheads that are open for a wide range of materials.



1.3 3D Printer for General Use

This type of 3D printer, distributed by APP, is a 3D Printer with small size, light weight, and cheap price to be suitable for using in production of small and non-complicated parts, such as small model, learning media for kids, etc.

At present, General Use 3D Printers distributed by APP consist of 2 brands as follows: (1) Sindoh from Korea, (2) XYZ from United States of America. In distribution of General Use 3D Printer, the Company shall mainly distribute using online channel via www.8baht.com which is the Company's website.



Sindoh



XYZ PRINTING

2. 3D Scanner

3D Scanner, distributed by the Company is a 3D optical measurement technology for industrial inspection and 3D scanning technology for reverse engineering engineers.

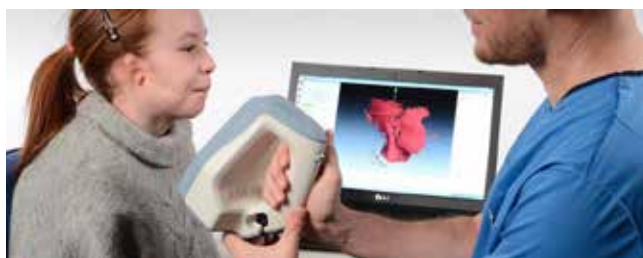
GOM is suitable for fast and accurate inspection industries such as automotive and aerospace industries, especially sheet metal forming, metal and aluminum castings. GOM 3D scanners can be operated manually and automatically

In 2019, the Company has been appointed as the distributor of GOM 3D Scanner from GOM GmbH., Germany, which is the leader of the technology of the High-Resolution 3D Vision Measuring System called Optical Metrology System Technology in the manner that 3D Scanner is used with Specific Inspection Software. APP and APP Indo have formally commenced to distribute GOM 3D Scanners since 1 January 2019.



gom
a ZEISS company

Artec is a 3D scanner for fast and accurate industries to reverse engineer or store details of objects into digital files such as industrial and architectural work.



3. Equipment and Consumables

Other than 3D Printer and 3D Scanner distributed by the Company, it has also distributed equipment as spare parts and consumables required for use together with printer and scanner, such as different types of printing materials, parts cleaner, parts tray, components and spare parts, etc.

Target customers

The main target customers in 3D design are automobile industrial enterprises, electrical appliances include government agencies and educational institutions.

3.3. 3D Design Solution-Related Services

To fulfill 3D Design Solution of the Company to entirely serve the customers' needs, it provides other 3D Design Solution-related services to its customers. The said services can be classified into 4 types as follows;

1. Subscription Services

As software and solutions distributed by the Company, either Software or 3D Printer in Stratasys Brand, are the design technology that requires the use of specific knowledge and expertise, therefore, the Company establishes a policy for selling Software and Solutions together with Subscription Services Package for one year. After the first expiration of the period of Subscription Services, the customers can select to renew the Subscription Services Agreement for another 1-3 years per term under the determined service rate and service conditions for each product. However, throughout the period of Subscription Services, the customer is granted for the privileges to enhance the customer's usability efficiency of Software or 3D Printer as per the following details.



Privilege of Subscription Services for Software Products

- ✓ **Software Upgrade Service:** the new version upgrade service is provided throughout after sales service period at free of charge to enhance the working efficiency of program.
- ✓ **Training Service:** The customers can attend the software usability training for the usability at full capacity. The training is conducted at DETI Training Center and the trainees who are passed for the usability training will be awarded for the software usability certificate.
- ✓ **Technical Support Service:** The Company's team which is expert and certified by the product owner is ready for counseling and troubleshooting via the following service channels.
 - Hotline Service: It is a counseling service on the software usability by phone in working hours from 8.30-17.00 hrs. at Hotline 02-744-9044.
 - Online Service: It is a troubleshooting service via chat in online channel, and Remote Access for the quick troubleshooting support.
 - Onsite Service: It is a service in the way that an Application Engineer is sent to give troubleshooting counsel and advice in collaboration with the customer's team for correct and quick troubleshooting to meet the requirement.
- ✓ **Other Services:** The customers can download data or media of usability for additional uses, such as 3D Object or Library Package, for instance, screw, knot, window, door, etc., to be used in design or instructional videos for the use of instructions, etc.

Privileges of Subscription Services for 3D Printer Products

- ✓ **Condition Checking, Maintenance, and Spare Parts Replacement Service:** The preventive maintenance service for checking condition and maintaining a printer is provided every four months or three months per year for the complete availability of the printer and replacement of spare parts under the Agreement.
- ✓ **Training Service:** The customers can attend the printer usability training for usability at full capacity.
- ✓ **Technical Support Service:** The Company's expert team is ready for counseling and troubleshooting via the following service channels.
 - Hotline Service: It is a counseling and troubleshooting service on the usability by phone in working hours from 8.30-17.00 hrs. at Hotline 081-936-9914
 - Onsite Service: It is an onsite service in the way that an application engineer is sent to the customer office for the urgent troubleshooting in quickness and correctness manner.
- ✓ **Parts Production Service:** In case of the problem occurred with the customer's printer during usability, resulting in a functional failure, or during importation of components and spare parts for replacement from the manufacturer, the customer can send the correct and complete file to the Company for producing the customer's parts with the Company's printer at a specific expense for the actual cost of materials used in production only. The expense for the working hours of the printer and the engineering labor cost must be unpaid.

2. Customized 3D Design Services

The Company provides the customized 3D design services, using its experiences and expertise of the personnel, and technological readiness to fulfill the specific needs of the customers in various forms both for industrial design software, Architecture Engineering and Construction Design Software, and Customized Add-on Development to efficiently serve the specific needs of its customers.

Samples of 3D industrial design software Support Services

- 3D design file creating and engineering design analysis service
- Product Presentation Preparation Service with virtual rendering image and interactive animation
- Specific Plug-in Program Development Service for working on core software like SOLIDWORKS



Samples of 3D Architecture Engineering and Construction Support Services

- 3D Building Modelling Service on BIM Standard
- Presentation Animation and Presenting Work Preparation Service with AR and VR Technologies
- Specific Plug-in Program Development and BIM Object Creation Service whereas the BIM Object is the 3D parts design, for creation of Library Package for using in design and virtual modelling for presentation.



3. XR service (Extended Reality) or 3D Virtual Solution

XR service is a business serving the virtual world by providing Virtual Showroom services to visit virtual products for luxury customers while Virtual industrial is to visit virtual factories, virtual Events or Virtual Exhibitions to respond to the needs of businesses in the New Normal era, such as Grand Seiko's Virtual Boutique, Mercedes-Benz Showroom, etc.



4. Prototype Production and Low Volume Production Services

RP provides one stop services of Prototype Production and Low Volume Production from Scan & Reverse Engineering, forming, designing, improving 3D parts, and producing prototype using technologies which are suitable for producing each type of work, such as 3D Printer, Vacuum Casting Machine, and CNC (Computer Numerical Control) Machine, and Plastic injection machine.



5. Training Services

DETI provides the integrated training services for usability of industrial design software and Architecture Engineering and Construction Design Software, with experiences of longer than 18 years. At present, DETI has been appointed as SOLIDWORKS Authorized Training Center from DSSW and Authorized Training Center from Autodesk, Inc., including Authorized SketchUp Training Center from Trimble Inc.

The DETI Training Center is a training center for usability of Design Software, and emphasizes on development of the software users' knowledge and competency so that the users can efficiently use such software with a practice-based teaching process for the actual application of knowledge. The learners are trained by the professional trainer team of which the teaching techniques and field working experiences are available, and the team is expert of the software usability. The DETI trainers must be trained and certified by the product owners.



The courses opened for teaching by DETI are diversified to ensure that the trainees can select for training based on their interests or needs for using SOLIDWORKS, ARCHICAD, AutoCAD, Revit, and SketchUp in actual working. The courses opened for teaching are from a basic level to an advanced level and it takes around 1-4 days of training period, depending on the course content. In addition, DETI also provides the services in organizing special customized onsite training courses whereas the customers can define training topics to be suitable for the efficient organizational personnel development. After completion of each training course, the trainees will be tested to assess their competence and skills on the software usability. The trainees who pass the test will be certificated as a guarantee of each trainee's capability to use software.

Details of the current DETI courses opened for teaching are as follows.

Engineering and Industrial design software Courses

Type of Course	Subject Opened for Teaching
SOLIDWORKS Standard Course: SOLIDWORKS Usability Course for Designing of Various Types of Objects	<ul style="list-style-type: none"> - SOLIDWORKS Basic - SOLIDWORKS Essentials - SOLIDWORKS Advanced Part Modeling - SOLIDWORKS Assembly Modeling - SOLIDWORKS Surface - SOLIDWORKS Drawing - SOLIDWORKS Sheet Metal - SOLIDWORKS Weldments - SOLIDWORKS Mold Design - SOLIDWORKS CAD Productivity Tools
SOLIDWORKS Communication: SOLIDWORKS Usability Course for the Achievement Presentation	<ul style="list-style-type: none"> - SOLIDWORKS PhotoView 360 - SOLIDWORKS Animation
SOLIDWORKS Simulation Course: SOLIDWORKS Usability Course for the Engineering Test	<ul style="list-style-type: none"> - SOLIDWORKS Simulation - SOLIDWORKS Simulation Professional - SOLIDWORKS Simulation Premium - SOLIDWORKS Flow Simulation - SOLIDWORKS Simulation Dynamics - SOLIDWORKS Simulation Nonlinear - SOLIDWORKS Motion - FEA with SOLIDWORKS

Type of Course	Subject Opened for Teaching
SOLIDWORKS Special Course: SOLIDWORKS Usability Course for the Specific Design	<ul style="list-style-type: none"> - SOLIDWORKS Electrical 2D - SOLIDWORKS Electrical 3D - SOLIDWORKS Motion - SolidCAM 2.5D Milling - SolidCAM 3D Milling - Product Design for Plastic - SOLIDWORKS Routing

Architecture Engineering and Construction Design Software Courses

Type of Course	Subject Opened for Teaching
ARCHICAD Course: ARCHICAD Usability Course for the BIM Modelling	<ul style="list-style-type: none"> - ARCHICAD Workshop - ARCHICAD BIM Basic - ARCHICAD BIM Intermediate
Revit Course: Revit Usability Course for the BIM Modelling	<ul style="list-style-type: none"> - Revit for Architecture Workshop - Revit for Architecture Basic - Revit for Structure - Revit for MEP
AutoCAD Course: AutoCAD Usability Course for 2D Drawing	<ul style="list-style-type: none"> - AutoCAD 2D Basic - AutoCAD 2D Intermediate
Special Course: Other Design Software Usability Course	<ul style="list-style-type: none"> - SketchUp Pro Basic - Basic Drawing - SketchUp for Plant Layout - SketchUp for KID - Robot & IoT - 3D Printing Workshop

3.4. Research & Development

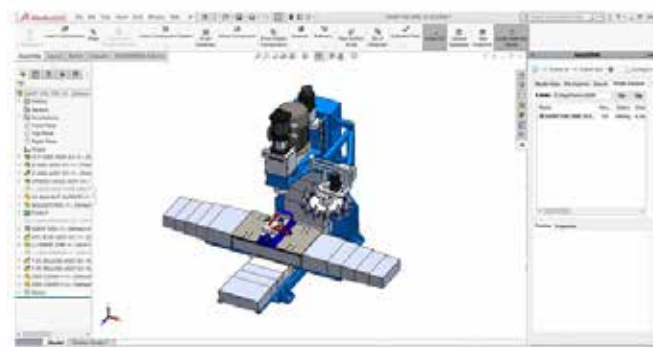
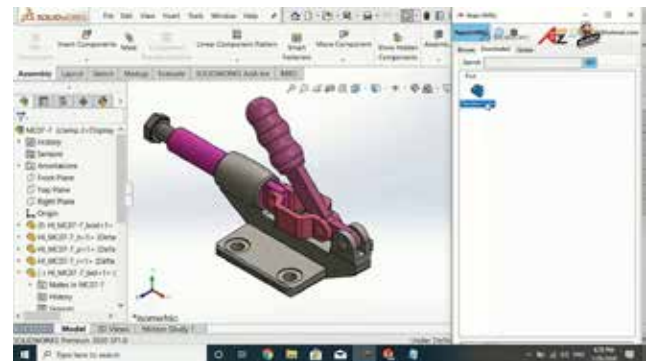
The Company has recognized the importance of making a difference to increase competitiveness, therefore the Company has considered the research and development as one of the strategies to develop its business to be sustainable in the long run and has established the research and development (R&D) to take responsibility for the development and presentation of design solutions to help make customers work efficiently. In the past, the Company has continued on product research and development as follows:

1. CADThai Platform

CADThai Platform is the add-on on SOLIDWORKS with the aim to increase the learning-to-use software to SOLIDWORKS users in Thailand. Moreover, it is another way to provide after-sales service to customers of the Company. The Company has developed CADThai Platform since 2015 and has begun to provide services to customers from 2016 onwards. The function of CADThai Platform is as follows;

- The learning materials in video format described in Thai for the users to follow the steps in the video. The lesson starts from the basic level to advance level such as Weldment and Sheet Metal.
- The article, content and link to connect to social media or the community of SOLIDWORKS users with the updated information and new knowledge.
- The standard parts (Library) such as bolts, screws that users can use immediately.
- The shortcut menu to assist in running various tools more quickly.
- Design Data Management system (DDM) is a storage space for design files in the Cloud Base.
- Designing tools as a tool to help in creating specific design, rendering, and calculating including converting files and so on.
- As Technical Support channels that are available to assist in the event that customers experience problems through channels such as Hotline, Line App, Remote Access, Email and so on.

Currently, the Company has developed CADThai Platform to be used as an online platform on www.appzmenu.com website to facilitate customers, as well as increase communication channels with industry entrepreneurs, designers, manufacturing plants, including freelancers.



2. THAIBIM

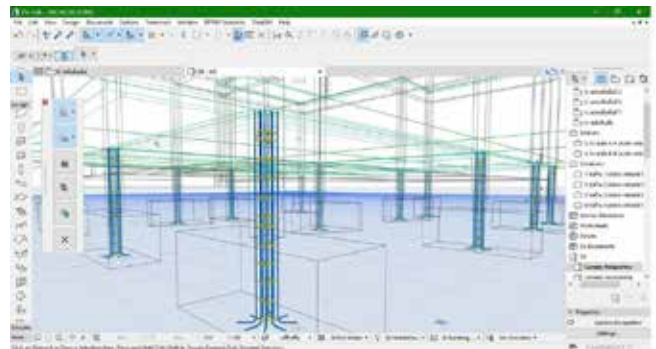
The basic function of design and construction of each country is different and the Company has recognized the importance of such point. Therefore, the Company has created and developed Thai BIM on ARCHICAD to complement and increase the efficiency of the users in Thailand including architects, engineers and contractors, small and medium-sized enterprises. The Company has developed Thai BIM since the late of 2017 and has begun to distribute in the early of 2018 with many functions as follows;

(1) structural composition function as the standard structure in Thailand such as

- Various footing such as spread footing, footing with piles, triangular footing etc. It automatically provides functions for adding reinforced steel to the footing.
- Inserting a steel reinforcement in concrete structures, pillars and beams with a data entry screen in Thai.

(2) Standard parts (Library) are available to the architects and engineers deployed in selected projects, including doors, windows and doors with mullion, ventilation, spirit house and others for more than 100 models.

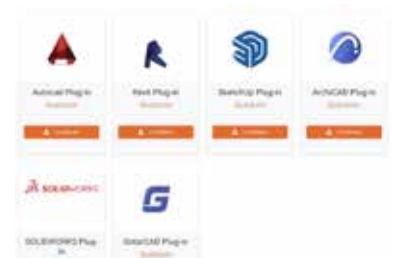
(3) Quantities take-off function for architecture and structural automatically for each floor of the building according to Thai architects and engineers' standards. The information obtained can be linked to the median price of building materials and the federal accounting department's wages which are updated every month in order to get the price of construction at a mid-price price and can export as an Excel file.



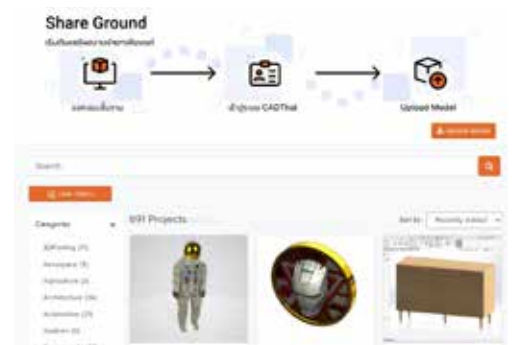
3. CADThai Platform

CADThai.com is a platform for all types of CAD users, whether in construction or industry with tools and services to choose from as well as learning resources to develop endless innovations.

- **CADThai DWG** It is a 2D and 3D drawing program designed to meet the needs of work At a professional level in drafting by offering a complete set of tools, including the flexibility to work with file extensions, completely market leading drafting program available for free in private or for commercial purposes to work or receive various works without worrying about copyright issues.
- **CADThai Plug-ins** Plug-in for leading CAD programs provides instant download of over 100,000 models from the CADThai Platform library.



- **CADThai Utility for Revit** A new tool of enhancements for Revit, including the Revit Paramanager that allows to add, reduce, edit, or move values between many families at a glance as well as being able to retrieve the model various ready-made ready to use in an instant including access to courses various free courses directly from the Revit program
- **CADThai BIM for SketchUp Pro** To cut the working time of traditional SketchUp users by more than half with tools that can quickly build houses and components such as walls, stairs, doors, windows without having to draw them yourself and immediately remove the quantity.
- **CADThai AEC for AutoCAD** A set of add-on tools to install on AutoCAD that can be installed for free to increase the ability with a set of commands for special construction work such as walls, doors, windows, stairs, trusses and many more, including Library CAD Block for added convenience to finish work quickly and reduce errors and meet Thai construction standards.
- **CADThai Utility for SOLIDWORKS** To install CADThai Utility for SOLIDWORKS to add functionality and to reduce the hectic workflow to complete in one click and also expand working capabilities for Thai people with free downloadable add-ons for Thai SOLIDWORKS users (support SOLIDWORKS 2019 and above).
- **Knowledge** An online course for using a program in mechanical engineering design and architectural engineering such as SolidWorks, ArchiCAD, Revit, AutoCAD, SketchUp, etc. Students can learn anywhere, anytime with supports access to a variety of devices such as desktop computers, notebooks, tablets or smartphones.
- **Shareground** A space for sharing 2 and 3D designs on the CADThai platform that allows you to quickly present and share your work outside as well as being able to preview the work online and Augmented Reality, also known as AR for short, combines the rendering of 3D models with real-world environments.



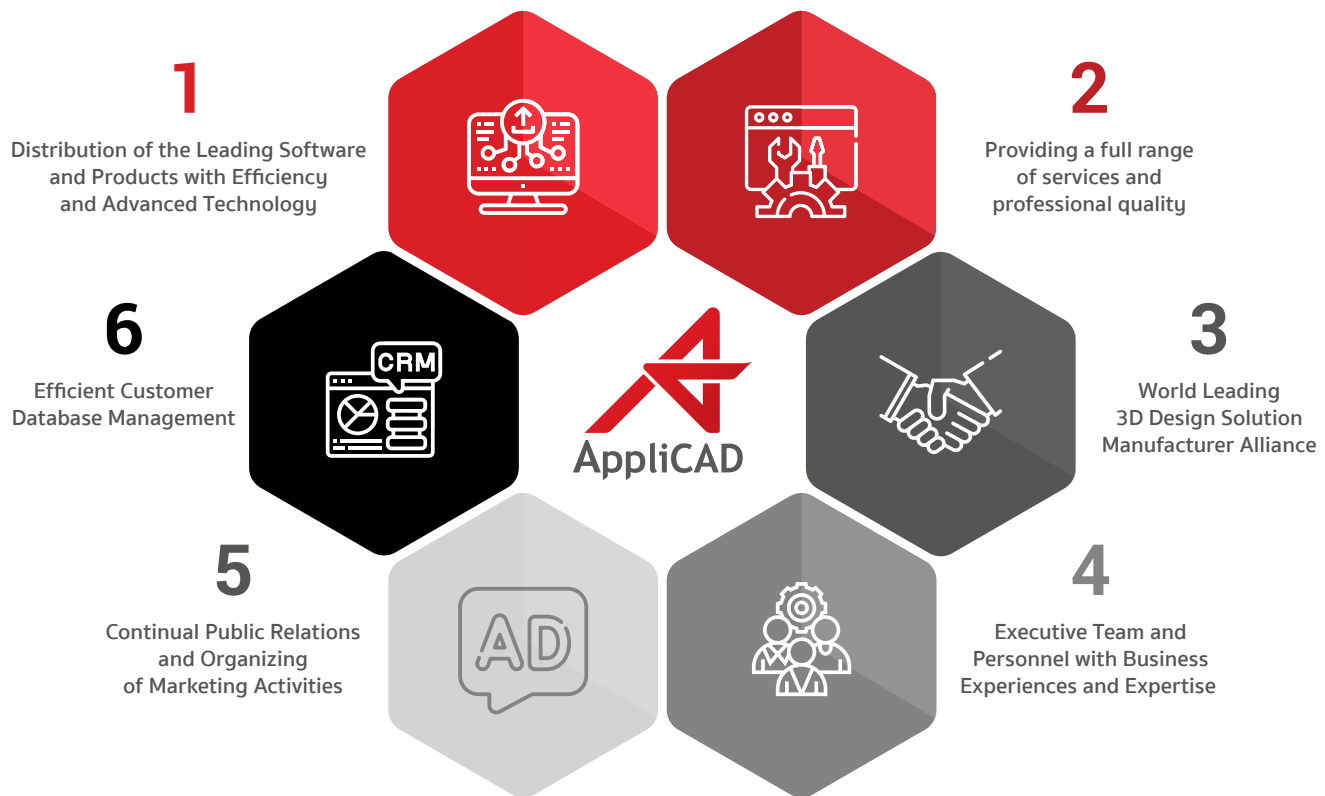
4. Automatic Beverage Mixer

Research and develop department have researched and developed the automatic beverage mixer with robots called Robotendy and can be used by mobile via application. The operation takes less than 1 minute, with constant taste not distorted. There are more than 40 different types of menus available, automatic beverage mixers can be used as a substitute for labor shortages. The Company aims to make a difference and change for the manufacturing and service sectors.



4. Marketing and Competition

4.1 Competitive Strategy



1. Distribution of the Leading Software and Products with Efficiency and Advanced Technology

The Company operates its main business in distribution of 3D design software and products. Therefore, it highly gives precedence to the selection of products, focusing on the software and products with advanced technology and high efficiency from the world leading, well-known, internationally and widely accepted software developers and manufacturers for the competitive differentiation and ability to serve its customers' needs under its requirement of an efficient adaptation in accordance with the rapid changing technologies.

It can be seen that the Company is the distributor of the software for various products which are the world leading software. For instance, SOLIDWORKS developed by DSSW, United States of America, which is the leader of the 3D Industrial design software market, has been a first piece of software which is usable on personal computer, resulting in easy usability and extensive popularity from the users. In addition, ARCHICAD developed by Graphisoft SE, Hungary, is the first piece of 3D Drawing Software of which the development of Building Information Modeling (BIM) Technology has been commenced to be used on personal computer. Moreover, the Company has played the role in offering the advanced innovation that will contribute to upgrade of the domestic design industry to be internationally equivalent. New products, such as 3D Printer in Stratasys Brand from United States of America, as well as 3D Scanner in GOM Brand, Germany, have been selected to be continuously launched into the market. All of them are the popular products with the top market shares of the world. The trust from the said leading software developers and manufacturers on the Company has indicated its potential and ability to well analyze market and customers' needs. In accompany with a vision of the executives and a precise prediction on the tendency of the change in design technology, they have taken part in enhancement of the Company's opportunity to continuously and stably extend the business in the future.

2. Providing a full range of services and professional quality

The Company is the distributor of the industrial design software and Architecture Engineering and Construction Design Software, the distributor of 3D Design Products (Hardware) which are 3D Printer and 3D Scanner, and the provider of the related services consisting of Subscription Service, Training Center Service, Prototype Production Service, and Customized Design Service. Therefore, the Company can entirely serve the customers' needs and access to the various target groups which are private companies in industrial groups, architects, real estate developers, contractors, educational institutions, or Government Agencies.

Moreover, the Company also aims at the quality customer services. The said service starts from Pre-Sale whereas the sales section officer inquires the customer's need, and then collaborates with the technical section officer to offer a solution which can properly and efficiently serve the customer's need, and demonstrate the actual usability of software and/or products to the customer for viewing the parts sample acquired from the actual usability as a decision support of its customers. After the customer's selection to purchase software or product, the Company shall organize training, focusing on transfer of the basic knowledge and essential skills in usability by an expert. This will contribute to the ability of the user to actually apply knowledge acquired from training in working. The software version service is provided to ensure that the customer can work at full capacity, and assistance service is provided by the technical specialists who are knowledgeable, proficient, and experiences, and passed for training and certified by the product owner. The said technical specialists are ready for quickly and efficiently giving counsels and advices, and solving problems through various service channels whether being by phone, e-mail or online system, and entering for the onsite problem solving at the customer's premise, resulting in the customer's confidence and trust on the continual use of the Company's services.

3. World Leading 3D Design Solution Manufacturer Alliance

Due to the expertise and leadership of the Company in one stop distribution business of 3D Design Solutions in Thailand, the Company has been continuously relied by more world leading product owners consisting of SOLIDWORKS,

ARCHICAD, 3D Printer in Stratasys Brand, 3D Metal Printer in Desktop Metal Brand, or 3D Scanner in GOM Brand, to appoint it to be their distributors, Nevertheless, the Company establishes a policy for building the long-term relationship with product owners, and cooperating under the business alliance concept, sharing of information, mutual formulating business strategies. With good relationship with business alliances, the Company is always supported in body of knowledge relating to technologies and products, and tendency of the change in the related technologies, contributing to the well enhancement of its competitiveness. Moreover, the Company is able to manage sales volume to have a continual growth, and efficiently fulfill the product owners' policies, particularly for SOLIDWORKS-related software and services, until distribution license of SOLIDWORKS has been additionally granted in Myanmar and Indonesia. From the aforesaid factors, they have reflected the continuity of the business operations under the strong and secure collaborations with the product owners.

4. Executive Team and Personnel with Business Experiences and Expertise

The Company's executive team mostly consists of the experienced persons in the distribution business of 3D Design Solution for over 25 years' period, resulting in the availability of knowledge and expertise to cover all fields whether being technologies in design, product supply, marketing, as well as understanding on the users' needs; and the ability to efficiently formulate the marketing strategies and management guideline in various fields. Moreover, the distribution business of 3D Design Solution is a business relying in the personnel with the technological knowledge and expertise, and well understanding on usability of software to ensure that software or solutions can be offered to serve the customers' needs for maximum satisfaction. The Company's personnel in part of Technical Support must be trained and certified by the product owners. In addition, the Company also establishes a supporting policy for the sales team to be certified by the product owners to ensure that its personnel have knowledge and profoundly understand the products offered to the customers for the need fulfillment and provision of advices on solving the complicated problems of the users in efficient and quick manners. Therefore, the Company is continuously and consistently trusted by its customers all the time.

5. Continual Public Relations and Organizing of Marketing Activities

The Company regularly emphasizes on organizing the marketing activities for public relations of its products to be recognized through a main channel such as online channel. Due to a changing behavior of the target groups in more acquisition of the news information through an online channel, therefore, the Company aims at the developing the public relations pattern to access the target groups, and producing the useful contents for creating the understanding on its technologies and products, and aiding in developing the customer designing potential. Other than the said online channel, the Company also continuously organizes the seminar events and innovation exhibitions. The Company will yearly organize the innovation exhibitions of the core software of which it is the distributor in order to debut the new versioned software, such as SOLIDWORKS Innovation Day organized in October of every year, and ARCHICAD Thai BIM Conference Event organized in July of every year. Both events are the innovation exhibitions which are interested for participating by a lot of people which are the current customers and the group of those interested in 3D Design Software. This well indicates the leadership of the Company in design technology.

In addition, the Company also yearly participates in exhibitions such as Metalex Event and Manufacturing Expo Event, etc., resulting in the opportunities to meet and share the information with the target groups which are direct customers, product owners, and distributors of the related products. Therefore, the Company's products can be increasingly recognized, contributing to its ability to expand its market to cover wider customer bases. Other than this regard, the Company can acquire the news information of the new movements, innovations and technologies of the related industries from the exhibition participation. It can assess the tendency of the changing technological development and quickly respond to the said changing trend.

Moreover, the Company also gives high precedence to educational sector and establishes a policy for continuously focusing and supporting the use of software and/or products in the educational sector to enhance the user bases of its software and/or products, and distribute for extensive industrial usability, contributing to an increase in its customer bases in the future. At present, software products distributed by the Company have been used as the instruction media in the educational institutions nationwide.

6. Efficient Customer Database Management

The Company gives high precedence to the customer database management and information technology system is applied as aid in customer database management both of the customers that have ever purchased products and/or services of the Company, and the persons that are expected to be the customers. The Marketing Department has collected and screened from those interested in products and services of the Company from various channels from seminar event, public relations event, and online media channel whether being the Company's website, and social media. The sales team shall appropriately use such database for analyzing and offering products and services to meet the needs of each group of customers.

In addition, the Company also systematically applies such information system in its sales process management under continual monitoring of the selling opportunity progress, and applies in monitoring after sales services, and managing after sales relationship with customer groups. This shall help the salespersons to enable to efficiently work and help the executives to enable to supervise, manage, and define strategies so that the setting target can be properly attained.

4.2 Distribution and Distribution Channel

The Company's distribution channels of the products and services can be classified into 2 types based on the nature of the customer as follows;

1. Distribution of Products and Services to the Entrepreneurs and General Customers

The sales team of the Company is responsible for supervising the distribution of the products and services to the customers which are the entrepreneurs and general customers. The sales team is classified into type of products and services, of which the different specific knowledge and expert must be used. The Sales Department shall contact and make the appointment with the customer to inquire for recognition of the customer's needs. After that, the Sales Department together with the officer of the Technical Support, shall offer the solution that can serve the customer's need, and demonstrate the actual usability of software to make the customer confident on the Company's products, and can actually serve the user's working.

Other than the distribution of products through sales team, the Company's online distribution channel is through www.8baht.com, which is the Company's website of which the customers can conveniently select to purchase software through website. The products distributed through the said online channel are basic software for general usability, such as Adobe, Microsoft Windows, ESET Anitivirus, etc., whereas the users can use the said software without relying on the Company's staffs in giving advice or demonstrating the software usability.

2. Distribution of Products and Services to the Educational Institutions and Government Agencies

The distribution of the products and services to the educational institutions and government agencies is mostly in the nature of project work using procurement method in accordance with the official regulation. The period of delivery and installation for the said projects is short. The Sales Department for the educational institutions and Government Agencies is in charge of monitoring the news information of bidding opening of the educational institutions and Government Agencies, and considers the customer's needs by studying on TOR (Term of Requirement in details together with the Technical Support for considering the participation in making a bid, and preparing documents, such as list of the details of durable articles, technical documentation, etc. for submission of quotation in the scheduled date and time through E-Bidding System or submission of bidding envelopes depending on the regulation or requirement of each customer.

However, the bidding participation is in the nature of self-bidding participation by the Company, and bidding participation through business alliance. The alliance shall purchase products and services of the Company for distributing together with the alliance's products and services or with other distributors in accordance with the customer's requirement.

4.3 Nature of the Customer and Target Customer Group

The customer Company and its subsidiaries can be classified into different groups as follows.

1. Industrial Manufacturing Customers mean the business operators in the manufacturing-related business, such as automotive, electronics parts, electric appliances, petrochemical, energy, machine, and industrial material industries, etc., for instance, Siam Kubota Corporation Company Limited, Panasonic Manufacturing (Thailand) Company Limited, Toyota Motor (Thailand) Company Limited, Hitachi Compressor (Thailand) Company Limited, Magnecomp Precision Technology Public Company Limited, etc.

2. Construction Industrial Customers means the business operators in the real estate and construction-related industries such as contractor, real estate developer, and construction materials, for instance, Italian-Thai Development Public Company Limited, SCG Cement-Building Materials Company Limited, Siam Multi Cons Company Limited, and J.S.P. Property Public Company Limited, etc.

3. Software and solutions business customers mean the business operators related to software distribution and/or related solutions, most of which buy the Company's products to sell in conjunction with their products and services.

4. Educational Institutions and Government Agencies mean the customers which are the educational institutions and Government Agencies. The procurement method in accordance with the official regulation is used in most procurements of this customer group. Such agencies include university, school, and research institute, as well as the related administrative agencies such as Pathumwan Institute of Technology, Chulalongkorn University, Sukhothai Thammathirat Open University, Sirindhorn International Institute of Technology, Thailand Institute of Scientific and Technological Research, and Office of the Permanent Secretary for Science and Technology, etc., including the entrepreneurs which are the business alliance in bidding participation.

5. Foreign Customers mean the customers in Indonesia derived from the business operation of APP Indo.

6. General Customers mean the customers that operate their businesses in other industries, such as information technology business, food business, and gem and jewelry business; and the customers that are a natural persons and freelancers.

4.4 Industrial Situation

The outlook for Thai industry in 2022-2024 is expected to recover gradually from the economic activities of the private sector for both of the recovery in the service sector and the continuous expansion of the manufacturing sector. This is a result of increased vaccination, relaxation of control measures opening the country. However, the risk and uncertainties persist, such as the COVID-19 mutation, manufacturing supply bottlenecks, inflation and economic sanctions.

The proportion of service sector in Thailand still has an opportunity to increase as a result of service sector businesses turning to modern technology to develop more innovations in the service sector, for example, the development of an online platform that facilitates access to tourist attractions around the world. Development of surgical robots for patients and remote surgery services while the industrial sector has turned to focusing on using innovations in services to add value and differentiate products Service, such as design and consulting services using Artificial intelligence and Big data technologies which can help increasing sales and designing new products that meet the needs of consumers more precisely. As a result, the service sector will play a greater role in the Thai production chain.

Modern technology is rapidly and widely reforming the structure of manufacturing and service industries. The world is currently on the wave of Digital technology that drives the creation of added value in the manufacturing and service sectors. It is applied to create sustainable growth and strengthen supply chain stability. The main technologies that will play a role in the business sector over the next 3 years are:



Source: Digital Economy Promotion Agency (DPA) Ministry of Digital Economy and Society

The Internet of Things (IoT): It is playing a greater role in connecting everyday device data through sensors embedded in products such as medical devices, electrical appliance and automotive parts. Nowadays, it is increasingly used in hospitality businesses such as smart hotel rooms that use IoT to control all the electricity in the rooms using mobile devices or transport businesses that use IoT to track parcels and manage goods movement systems, etc.

Robotics: It can work automatically and with high accuracy. This reduces production damage and increases operational safety through programmable combinations with sensors or Microprocessors, for example, robotics used in the production of many repetitive tasks such as hazardous material handling robots in the electronics and construction industries. Robots welcome in the hotel or robots to help crops and animal feeding robots in the agricultural sector, etc.

Artificial intelligence (AI): The use of artificial intelligence in industrial sectors is often combined with other technologies such as Cloud and IoT to process Big data for the development of automation systems working with humans (Cobots) in production lines such as automotive and electronics industry to use AI for process control to reduce waste and predict equipment that needs maintenance, medical businesses to use AI to diagnose disease or recognize patterns to track the spread of COVID-19, while real estate businesses to use AI to design building structures.

5G technology: 5G networks support the process of controlling machines to work more efficiently together. It is used to reduce labor costs, time and errors in the manufacturing process, for example, HIROTEC Corp. (Japan) uses 5G to remotely control its machine operation system in the production of auto parts, or MTU Aero Engines (Germany) uses 5G in its engine design process of airplane which makes it possible to reduce design costs by up to 75%, etc.

Drone: An unmanned aerial vehicle that can be controlled remotely. It is used to reduce dependence on labor, reduce the time spent exploring the actual area, especially in the agricultural sector from the planning stage before planting to harvesting as well as use to track and find farm animals, including spraying chemicals or use in construction business to assess the size of the area or survey the area in the danger zone, etc.

Blockchain: A system for collecting and recording data by spreading a database for people in the network to share information with each other but limited access with encryption with high security. It is often used in financial transactions through the use of digital assets. It is now increasingly being applied in the agricultural sector, such as traceability to ensure transparency of the source of produce, as well as in conjunction with Cloud computing in logistics business to track and evaluate delivery systems, etc.

Edge computing: Big data processing system that connects consumer demand data to real-time transformation of production lines or business models to respond quickly to consumer behavior. It is mainly used in the health, recreation and transportation industries, as well as to assess the weather conditions and the likelihood of accidents in logistics business planning.

Quantum computing: The development of computer computing through subatomic particles instead of binary. It increases the speed and increases the learning ability of AI. Currently, the development of this technology can be applied commercially in the production of smart devices such as autonomous cars, robots, etc.

3D printing: 3D printing technology provides low cost and fast design and manufacturing control. Nowadays, it plays an increasingly important role in the industrial supply chain for both in the development of equipment parts and the reuse of materials for printing again (Recycle bot), such as the production of automotive parts aircraft parts electronic equipment, medical equipment and denture manufacturing. It is also used in construction projects such as faster building designs.

Synthetic biology: It is mainly applied to the production of cultured meat which produces meat from the stem cells of the original animal species of beef, chicken, pork and tuna, and plant-based meat. It is the production of plant-based meat that looks and tastes the same and real meat to reduce the consumption of real meat and to reduce the risk of food shortages in the event of an epidemic in animals, including helping to meet the needs of the growing number of elderly people.

Data analytics: It is a systematic analysis of Big data to help operators to deliver services and products that meet consumer needs, such as being used in the tourism business by analyzing historical data to forecast demand growth and offer tailored travel packages for individual travelers.

Digital Services and Software Trends 2022-2024

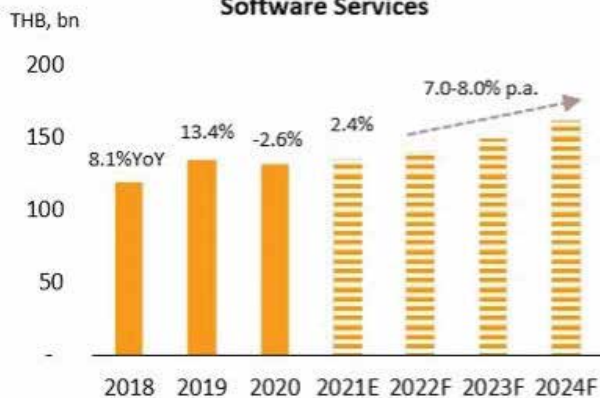
Digital services and software businesses in the next three years have good growth prospects. It is expected that total revenue will grow in the range of 9.0-10.0% as the business sector accelerates its organizational restructuring that focuses on driving more value-added by digital technology.

Digital services: revenue is expected to grow at the rate of 11.0-12.0%, mainly supported by (1) the development of 5G technology networks under the government's strategic plan to connect the signal to cover all areas by 2022. and (2) daily living and work patterns that are likely to continue to rely on services through digital platforms in various ways, especially online trading of goods and information. Fintech continues to grow in line with the popularity of e-Wallets, but competition is still high from a large number of players.

Software and Software Services: Revenue is expected to grow at a rate of 7.0 - 8.0% on (1) private sector investment in software and cloud IT to accelerate during the business recovery period and meet the specific needs of consumers who are increasingly turning to online transactions. The demand from SMEs is likely to expand from tax reduction measures for software and service expenses in 2021 - 2022 to support digital transformation to make SMEs more competitive and more applications.

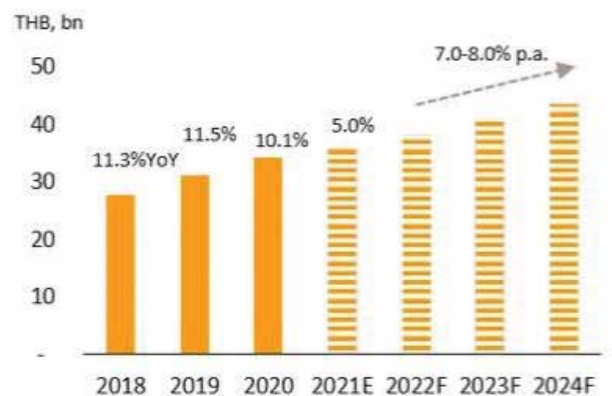
Digital Content: Revenue is expected to grow at a rate of 7.0 - 8.0%, driven by the growth of the game business through smart technology devices, which will develop into a new kind of cloud-based games that are fast on the 5G network that attracts more new players. Meanwhile, revenue from Animation and Characters business tends to expand, but at a low rate following the economic conditions of the contracting countries, especially Japan, which is expected to gradually recover.

Figure 2: Revenue of Software & Software Services



Source: Depa, Krungsri Research

Figure 3: Revenue of Digital Contents



Source: Depa, Krungsri Research

Infringement Rate of the Software Copyright

As the Company has been formally appointed as the distributors from the foreign product owners, it has been useful from campaign and awareness on the significance of the usability of the lawful copyrighted software, and resulted in a continuous decreasing trend of the infringement in the current software usability. BSA | The Software Alliance or software business alliance group which is the trade association established for purpose of an attempt to stop the copyright infringement of the software manufactured by the members in the group, in collaboration with International Data Corporation (IDC), a data survey company of Thailand in United States of America, publicized survey result of the global software usability for 2018. The said survey result indicated that the global copyright infringement of software has tended to have a continuous decreasing rate from 42% in 2011 to be remained at 37% in 2017, as the result of the strict law enforcement of the public sector agencies in suppression of the offence relating to economic crime, and campaign relating to usability of the lawful copyrighted software. In addition, both public and private organizations have given more precedence to the security of information technology system, resulting in their emphasis on more usability of the lawful copyrighted software and contributing to reduction of risk and expenses from malware and threat attacks in cyber world. The users have also been beneficial from the usability of the copyrighted software in reduction of security risk and legal problem risk, increase in IT productivity, protection of corporate image, and creation of the confidence of the Company's customers and business partners.

The Department of Intellectual Property (DIP), together with the TCSD and BSA, continues to work together on software copyright protection missions, aiming to reduce violation rates as fasten as possible in ASEAN. In 2019, there were 469 cases of software piracy, up from 395 in 2018 with a total of more than 464 million baht of infringements, decreased from 661 million baht. In 2018, for business organizations prosecuted for software piracy, mostly are in the manufacturing industry. Other businesses include real estate and construction, interior design and decoration and so on.

Most pirated programs

- Drawing design software used in the manufacturing industry
- Architectural drawing design software
- Engineering drawing design software
- Office programs

In 2020, officials increased data communication with business organizations on the risks of using the software without a license agreement in conjunction with law enforcement against business organizations that infringe software copyrights to reduce software piracy rates in Thailand as quickly as possible. Nowadays, with technology and technical experts from victims of software piracy, as a result, the investigation was carried out more quickly by the TCSD. It aims to see the average rate of software piracy in Thailand by more than 3% per year and the fastest decline compared to other ASEAN countries.

At the same time, it relies on cooperation between copyright owners and Internet service providers to alert copyright infringement and remove copyright infringement work from the system, known as notice and takedown system, which believes that all this will help building up confidence among Thai and foreign merchants and investors, and to demonstrate the business opportunities of copyright software distributors.

Source: Notice of the 2019 Software Copyright Protection and 2020 Guidelines by the Department of Intellectual Property. Economic Crime Suppression Division and BSA (Software Business Alliance)

Competitive Situation of the Domestic Software Business

For the competition in software distribution business, each entrepreneur has distributed software with the various and different usability functions to serve the user's needs in each area, such as office software, accounting software, Enterprise Resource Planning (ERP) software, and design software, etc. The design software which is a core product of the Company is a specific software. This type of software is often software developed by the foreign software developer and distributed through the distributor in Thailand. Most of the distributors have been the non-exclusive distributors, resulting in competition between each software distributor. Other distributors of the core software of which the Company are the distributors are as follows.

- SOLIDWORKS : Metro Systems Corporation Public Company Limited
- ARCHICAD : Team Consulting Engineering and Management Public Company Limited,
and DCS Associates Company Limited

In addition, the Company has competitive with the distributors of the design software of other product owners. The software which is competitive and comparable with the software distributed by the Company is the software in the Group of Autodesk Inc. which is the developer of the design software both in industrial design software and Architecture Engineering and Construction Design Software, such as AutoCAD (2D Design Software), Inventor (Industrial Design Software), and Revit (Architecture Engineering and Construction Design Software). Total of twelve distributors in Thailand for the software in the Group of Autodesk Inc. have been appointed as follows.

- | | |
|---|--|
| 1. Synergysoft Solution Company Limited | 7. CCM Systems Company Limited |
| 2. VR Digital Company Limited | 8. Twoplus Soft Company Limited |
| 3. M Technologies (Thailand) Company Limited | 9. Padee Innovation Company Limited |
| 4. SVOA Public Company Limited | 10. Bhatara Progress Company Limited |
| 5. I.T Solution Computer (Thailand) Company Limited | 11. NR Automation Systems Company Limited |
| 6. Cadcamthai Company Limited | 12. Advance Inter Solution Company Limited |

However, in competition with other entrepreneurs, the Company mainly focuses on differentiation, and emphasizes on customer service, whether being a preparation of the personnel with knowledge, competence, and attention in efficiently solving problems for the customers who are the users, and providing one stop services in various areas, whether being Subscription Service, Prototype Production Service, and Training Service, etc., to ensure that the customer's needs on design solutions are fulfilled.

5. Supply of Products and Services

3D Design Products

The supply of products has been deemed as a key of the business operation of the Companies adhering to creation of the maximum customer satisfaction throughout over 25 years ago. The Company and its subsidiaries have been continuously appointed to be the distributors of both 3D MEC and Architecture Engineering and Construction Design Products from the international accepted leading product owners. In addition, the executive teams of the Company possess knowledge, expert, and experiences in the 3D design solutions distribution industry for long time, has considered selecting the products offered to the customers to ensure that the customers receive the quality products with advanced technology as per the following details.

(1) Software Products

(a) Software of which the Company is not a distributor

Most of the distributed core software is the software of which APP and APP Indo have been directly appointed to be the distributor from the product owner, and shall directly order software with the foreign product owners in accordance with the purchase orders of their customers. APP and APP Indo shall acquire Serial Number from the product owner to activate software. An after sales services team shall install software for their customers for the software availability.

The term of the distributor agreement of software acquired by APP and APP Indo from the product owners is 1-3 years, and most of the distribution licenses are non-exclusive as the general trade terms in software business. However, due to the good relationship of the Company with the product owners for long time in accompany with its ability to efficiently fulfill the policies, this makes the executive assured of trust from the product owners to continuously be the distributors in long run.

The details of software of which APP and APP Indo have been appointed to be the distributors are as follows.

1. Industrial Design Software

Software	Product Owner	Country	Type of License	Term of Agreement	Executed by
SOLIDWORKS / Public Cloud 3DEXPERIENCE WORKS / Public Cloud 3DEXPERIENCE WORKS for Education / DELMIAWORKS EnterpriseIQ for MOM / SIMULIA legacy for CRE/ Learning Experiences for DELMIAWORKS / DELMIAWORKS Online Services / DELMIAWORKS EnterpriseIQ for Partners / DELMIAWORKS EnterpriseIQ for Accounting / DELMIAWORKS EnterpriseIQ	Dassault Systemes Singapore Pte. Ltd.	Singapore	Non-exclusive	25 JUL 2019 - 31 DEC 2020; and an automatic renewal of 1 year per term	APP
			Non-exclusive	1 FEB 2020 - 31 DEC 2021; and an automatic renewal of 1 year per term	APP Indo
SolidCAM	SolidCAM Ltd.	Israel	Non-exclusive	3 years-term (2 MAY 2018 - 1 MAY 2021)	APP
SolidPlant	AH Holding B.V.	Netherlands	Non-exclusive	23 FEB 2018 - 31 DEC 2020; and an automatic renewal of 1 year per term	APP

2. Architecture Engineering and Construction Design Software

Software	Product Owner	Country	Type of License	Term of Agreement	Executed by
ARCHICAD,	Graphisoft Asia Limited	Hongkong	Non-exclusive	3 years-term (19 JUN 2021 - 18 JUN 2024) automatic renewal for 1 year but not more than 2 years each time (from 19 JUL 2024 to 18 JUL 2026)	APP
			Non-exclusive	3 years-term (19 JUN 2021 - 18 JUN 2024) automatic renewal for 1 year but not more than 2 years each time (from 19 JUL 2024 to 18 JUL 2026)	APP Indo
GstarCAD	Gstarsoft Co., Ltd.	China	Exclusive	3 years-term (1 NOV 2021 - 31 OCT 2024)	APP
			Exclusive	3 years-term (1 AUG 2021 - 31 JUL 2024)	APP Indo
CADProfi	CADProfi Germany GmbH.	Germany	Exclusive	Indefinite term of the agreement (the effective date of the agreement on 1 MAR 2019)	APP
CADEWA	Fujitsu Systems Global Solutions Sdn. Bhd.	Japan	Non-exclusive	1 year term (1 DEC 2019 - 30 NOV 2020) and an automatic renewal of 1 year per term	APP
Eptar	Éptár Kft.	Hungary	Non-exclusive	1 year term (1 JAN 2020 - 31 DEC 2020) and an automatic renewal of 1 year per term	APP
Solibri	Solibri Inc	Finland	Non-exclusive	1 year term (1 APR 2020 - 31 MAR 2021) and an automatic renewal of 1 year per term	APP
			Non-exclusive	1 year term (28 APR 2020 - 27 APR 2021) and an automatic renewal of 1 year per term	APP Indo
ExtrAXION	Alconsoft SA	Greece	Non-exclusive	1 year term (21 AUG 2015 - 20 AUG 2016) and an automatic renewal of 1 year per term	APP
Twinmotion	Epic Games Inc.	USA	Non-exclusive	Indefinite term of the agreement (the effective date of the agreement on 1 MAY 2020)	APP, APP Indo
Artlantis	Abvent S.A.	France	Non-exclusive	Indefinite term of the agreement (the	APP
V-Ray	Chaos Software Ltd.	Bulgaria	Non-exclusive	1 year term (2 JAN 2018 - 1 JAN 2019) and an automatic renewal of 1 year per term	APP
Rhinoceros	McNeel Asia	USA	Non-exclusive	Indefinite term of the agreement (the effective date of the agreement on 1 APR 2018)	APP
Zbrush	Pixologic Inc.	USA	Non-exclusive	Indefinite term of the agreement (the effective date of the agreement on 14 SEP 2016)	APP
Lumion	Act-3D B.V.	Netherlands	Non-exclusive	Indefinite term of the agreement (the effective date of the agreement on 22 MAR 2019)	APP Indo
Oracle Primavera	Oracle Corporation	USA	Non-exclusive	2 years-term (3 SEP 2018 - 2 SEP 2020) and an automatic renewal of 1 year per term	APP
Prota	Prota Asia Pte Ltd	Singapore	Exclusive	1 year term (7 FEB 2019 - 6 FEB 2020) and an automatic renewal of 1 year per term	APP

(b) Software of which the Company is not a distributor

The software of which the Company is not directly appointed as a distributor from the product owner, is software for the general usability, such as Sketchup Pro, Adobe, Microsoft Window, and ESET Aniti Virus. The Company shall order from the appointed distributor in Thailand for delivering to its customers.

(2) 3D Printer and 3D Scanner Products(a) 3D Printers and 3D Scanners of which the Company is not a distributor

In supply 3D Printer and 3D Scanner products, the Company shall select the products from the manufacturers which are accepted in quality and the market leaders. The Company has been appointed as a distributor of 3D Printer and 3D Scanner in Thailand and Indonesia from total of three manufacturers. However, the term of the distributor agreement for 3D Printer and 3D Scanner acquired by the Company from the product owners is 1-2 years and the distribution license is non-exclusive.

Product	Product Owner	Country	Type of License	Term of Agreement	Executed by
Stratasys 3D Printer	Stratasys AP Limited	USA	Non-exclusive	2 year-term (1 APR 2022 - 31 MAR 2024)	APP, APP Indo
MakerBot 3D printer	Makerbot Industries	USA	Non-exclusive	27 MAY 2020 - 31 DEC 2020 and an automatic renewal of 1 year per term	APP
GOM 3D Scanner *	Gom GmbH.	Germany	Non-exclusive	2 year-term (1 OCT 2020 - 30 SEP 2022) and an automatic renewal of 1 year per term	APP
			Non-exclusive	2 year-term (1 OCT 2020 - 30 SEP 2022) and an automatic renewal of 1 year per term	APP Indo
Artec 3D Scanner	Artec Europe, S.a.r.l	Luxembourg	Non-exclusive	1 year term (4 SEP 2015 - 3 SEP 2016) and an automatic renewal of 1 year per term	APP

Remark : *The Company has formally commenced to distribute GOM 3D Printers since 1 January 2019.

In part of Stratasys GOM 3D Printer GOM 3D Scanner, the Company will order and import from the foreign manufacturer, upon the Group the Company's receipt of purchasing order from its customer. The approximate lead time of ordering for Stratasys 3D Printer and GOM 3D Scanner are 30 and 15 days, respectively.

However, pursuant to the Notification of the Ministry of Commerce on the Determination of 3D Printer as merchandise which must observe an organization measure of the importation into the Kingdom B.E. 2559 (2016), "3D Printer" is determined to be a merchandise which must observe a organization measure of the importation into the Kingdom. An importer must execute in accordance with the requirement in the Notification of the Department of Foreign Trade on rule, procedure, and condition for importing 3D Printers into the Kingdom B.E. 2559 (2016) prescribing that the business operator for importing 3D Printers must execute the following.

1. An importer of 3D Printers must apply for the registration as an importer of 3D Printers with the Bureau of Foreign Trade Services, Department of Foreign Trade.
2. Every importation of 3D Printers, an importer must submit the Notification of the 3D Printer Importing Detail to the Merchandise Trade Administration Division, Department of Foreign Trade, at least 15 (fifteen) days prior to importation of the goods.

3. At the end of every June and December in every year, the importer of 3D Printers must notify the details relating to importation, possession, disposal and leasing or hire purchase of 3D Printers. Such report must be submitted within 15 (fifteen) days of the following month to the Merchandise Trade Administration Division, Department of Foreign Trade.

The Company has applied for the registration as the importer of 3D Printer with the Bureau of Foreign Trade Services, Department of Foreign Trade, and has already been registered on 14 July 2016.

Equipment and Consumables of 3D Printers

To ensure the efficient customer services, the Company must always reserve equipment and consumables of 3D Printers to be sufficient for its customer services. The Company monthly schedules the ordering cycle of equipment and consumables of 3D Printers from the foreign manufacturers and consider ordering based on the determined quantity of minimum Stock. An approximate lead-time of ordering is 7-15 days.

(b) 3D Printers of which the Company is not a distributor

The 3D Printers of which the Company is not a distributor, consist of 3D Printers of Sindoh and XYZ. The Company will order 3D Printers including equipment and consumables of 3D Printers from the manufacturers or distributors which are appointed in Thailand for delivering to its customers.

(3) Computer and Accessories

The selling of the Company is in nature of Project to the customers which are the educational institutions or government agencies. In the sale contract, it specifies the supply of other equipment which are durable articles, such as computer, tools and equipment, etc. The Company shall order such products in the list of vendors specified in the contract, or from the list of the vendors which have been screened and registered in Approved Vendor List Registration of the Company. In addition, in some cases, the customers will order software of which the Company is a distributor, and order computers and accessories; or a supplier of other software to be used with the software distributed by the Company for the efficient functionality. The Company shall facilitate its customers in supply of computers and accessories, or other software from the domestic distributors which are selected from the list of the distributors which have been passed for consideration on the accepted quality and service, and in the Approved Vendor List of the Company.

Machines for Prototype Production and Low Volume Production Service Works

The prototype production and low volume production of RP are the automatic part production being accredited for Quality Management System ISO 9001:2015 from UKAS, England. RP considers selecting to use the different types of machines in accordance with the appropriateness of production for each type of part, using 3D file received from the customer. After completion of production, QC officer will inspect the quality of part produced prior to delivery to the customer. The machines of RP used in prototype production and low volume production are as per the following details.

- 3D Printer: It is the high-resolution machine for the prototype production. The variety of materials whether being thermoplastics or liquid plastics can be selected for using. The machine can rapidly make product model and therefore, it is suitable for the prototype production. RP has had total of five 3D Printers being classified into four set of 3D Printers – FDM, and one set of 3D Printer – Polyjet and 3D printer with SLA system.
- Vacuum Casting Machine: It is a machine for making silicone mold, and injection molding of plastics, and suitable for the low volume production of parts. RP has one Vacuum Casting Machine.
- CNC (Computer Numerical Control) Machine: It is used for milling the metal parts and forming in accordance with a 3D designed file, and suitable for the metal prototype production. RP has one set of CNC Machine.
- Injection machine. It is a machine for injecting plastics to achieve the most realistic workpieces. It will be used with Mold. Plastic molds are capable of injection up to 120 tons. There are many types of materials that can be injected, such as PP ABS POM PP PE TPU, etc. RP has 1 CNC machine.

In respect to supply of equipment and consumables of machines used in production, RP will order by taking into account the determined quantity of Minimum Stock. If the quantity is reduced to the determined minimum quantity, RP will order from the domestic distributor and Lead Time is approximately 3-5 days.

Production capacity for parts of each type of machine can be summarized as follows.

In respect to supply of equipment and consumables of machines used in production, RP will order by taking into account the determined quantity of Minimum Stock. If the quantity is reduced to the determined minimum quantity, RP will order from the domestic distributor and Lead Time is approximately 3-5 days.

Production capacity for parts of each type of machine can be summarized as follows.

Type of Machine	Production Capacity Utilization	2019	2020	2021
3D Printer - FDM	Yearly Full Production Capacity (Hours)	23,328.00	23,328.00	23,328.00
	Actual Output (Hours)	9,099.52	9,099.52	11,967.26
	Capacity utilization Rate (%)	39.01	39.01	51.3
3D Printer - Ployjet	Yearly Full Production Capacity (Hours)	7,776.00	7,776.00	7,776.00
	Actual Output (Hours)	562.00	562.00	622.08
	Capacity utilization Rate (%)	7.23	7.23	8.00
3D Printer - SLA	Yearly Full Production Capacity (Hours)	7,776.00	7,776.00	7,776.00
	Actual Output (Hours)	1,189.00	1,189.00	4,199.00
	Capacity utilization Rate (%)	15.29	15.29	54.00
Vacuum Casting	Yearly Full Production Capacity (Hours)	2,880.00	2,880.00	2,880.00
	Actual Output (Hours)	672.50	672.50	938.00
	Capacity utilization Rate (%)	23.35	23.35	32.60
CNC Machine	Yearly Full Production Capacity (Hours)	2,880.00	2,880.00	2,880
	Actual Output (Hours)	1,098.00	1,098.00	1560.96
	Capacity utilization Rate (%)	38.13	38.13	54.20
Plastic Injection Machine	Yearly Full Production Capacity (Hours)	-	-	2,880
	Actual Output (Hours)	-	-	432.00
	Capacity utilization Rate (%)	-	-	15.00
Total	Yearly Full Production Capacity (Hours)	44,640.00	44,640.00	47,520.00
	Actual Output (Hours)	12,621.02	12,621.02	19,719.30
	Capacity utilization Rate (%)	28.27	28.27	41.50

Training Center for Use of Design Software

(1) Training Center

DETI provides training services for using Design Software. The Design Software used is a piece of Training Licensed Software of which DETI has been supported for the software cost from the software owner. As at 31 March 2019, with total of eight training rooms which can support the maximum number of trainees up to 86 persons.

However, the utilization rate of the DETI Training Center from training rooms is as follows.

	2019	2020	2021
Maximum Number of Trainees that can be supported (Persons/Year)	25,578	25,578	25,578
Number of Trainees (Excluding Onsite training) (Persons)	9,844	5,586	6,831
Utilization Rate from Training Room (%)	38.49	21.83	26.70
Trainees in Part of Onsite Training (Persons)	1,930	1,767	249
Trainees in Part of Online Training (Persons)	-	532	5,399

(2) Trainer

DETI provides training services by trainer who is knowledgeable, expert, and experienced in applying programs. DETI has currently had ten full-time trainers. All of the trainers are professional and ready both for the teaching technique and real working experience, and expert in use of program. The trainer must be trained and certified from the product owner to indicate the trainer's knowledge and competence, and training quality of DETI.

In addition, DETI has outsourced the special external trainers who have the specific in-depth expertise and experience for transferring knowledge and experience for the advance courses periodically organized by DETI as appropriate for the full and efficient benefits of trainees from the training.

(3) Training Courses

In considering the training courses opened for teaching, DETI shall mainly take into account the trainee's need. The executives and Head of the Trainer shall regularly consider on adjustment of the courses to be appropriate and consistent with the customer's need, and the trend of change in design technology. In organizing the training courses, the trainer shall define the suitable training content and training period for each type of customer group, and prepare a training supporting manual which must be passed for the consideration of the Head of Trainer. Nevertheless, the manual or documents used in training are the standard coaching textbooks of which DETI has been licensed from the product owners, and the textbooks written by the experts in each specific subject.

6. Price Policy

The Company's pricing policy for the selling price of each type of product and service is appropriately based on Cost Plus Margin, taking into account the competitive situation and the comparable level of product price both in domestic and foreign market, and product acceptance of each group of customers. The quality and technology of products, and the efficient after sales services are considered.

7. Assets used for business operations

7.1 Details of assets used for business operations

As at 31 December 2021, the Company and its subsidiaries have the assets used for business operations as follows;

Type and details of assets	ownership	Obligation As at 31 December 2021	Net Book Value (million baht)
Land - the headquarters of the Company Deed No. 248953, Phra Khanong, Bangkok The total area of 364 square meters (91 square Wa)	Possessed	-	9.94
Land - the headquarters of the Company Deed No. 223940, Phra Khanong, Bangkok The total area of 412 square meters (1 Ngan and 3 square Wa)	Possessed	During the process with Commercial Bank	9.97
Building and building improvements	Possessed	-	38.15
office equipment	Possessed	-	9.55
equipment	Possessed	-	29.62
vehicles	Possessed	-	3.57
Total			100.80

7.2 Summary of significant contracts in the business

7.2.1 Distributor Agreement of the Company

Parties: Dassault Systemes SolidWorks Corporation ("DSSW")
as "Licensor"
AppliCAD Public Company Limited as "Licensee"



Date of contract : 25 July 2019

Objective : The Company has the right to distribute SOLIDWORKS including other products and services mentioned in the contract as Non-exclusive in Thailand and Myanmar as well as the rights of branding and marketing prescribed in the territory that are entitled to and the rights cannot be transferred (non-Transferable).

Period : From 25 July 2019 to 31 December 2020
If the Licensor and Licensee do not notify the termination of the contract at least 2 months in advance, the contract is automatically renewed at a time.

However, as of 1 January 2022, the Company has been renewed for additional rights until 31 December 2022.

- Conditions for Termination :
1. Either party may terminate the contract by written notice to the other party. In the event that the other party breaches any of the terms of the contract and the inability to resolve the incident within 30 days of receiving the notice
 2. The Licensor may terminate the contract, in the event that the Licensee violates the terms of trade confidentiality or in the event of an authorized distributor of goods to a competitor without permission.
 3. The Licensee is protected, liquidated or bankrupted.
 4. The Licensee may terminate the contract if the Licensee changes the shareholding ratio more than 50%.
 5. The Licensee may terminate the contract if the involved person is in the criminal prosecution and the Licensee considers that may have a negative impact on the reputation and image of the Licensee.

Parties: Graphisoft Asia Limited as "Licensor"
AppliCAD Public Company Limited as "Licensee"



Date of contract : 18 October 2021

Objective : The Company has to right to distribute ARCHICAD and MEP Modeler as Non-Exclusive in Thailand as well as the rights of documentation, branding and marketing.

Period : 3 years; from 19 July 2021 to 18 July 2024
If the Licensor and Licensee do not notify the termination of the contract at least 1 month in advance, the contract is automatically renewed at a time for a year but not over two years
However, as of 19 July 2024, the Company has been renewed for additional rights until 18 July 2026.

- Conditions for Termination :
1. Either party may terminate the contract by written notice to the other party. In the event that the other party breaches any of the terms of the contract and the inability to resolve such an event within at least 15 days from the date of receiving the notice.
 2. The Licensor may terminate the contract if the Licensee cannot purchase up to 80% of the orders for the second consecutive quarter. Unless the purchases of their target are from a result of the overall economy.
 3. The Licensee is protected, liquidated or bankrupted.
 4. A change in control of the affairs of the Licensee.

Parties : Gstarsoft Co., Ltd. as "Licensor"
AppliCAD Public Company Limited as "Licensee"



Date of contract : 1 November 2021

Objective : The Company has to right to distribute GstarCAD as Exclusive in Thailand and be able to appoint

the Sub-Distributor and also grant the right of GstarCAD Exclusive Distributor in branding, distributing, services and marketing.

Period : 3 years; from 1 November 2021 to 31 October 2024

Conditions for Termination : 1. The Licensor may terminate the contract if the Licensee cannot achieve as specified in the contract.
2. Either party may terminate the contract by submitting a notice of termination to the other party 60 days in advance.

Parties: Stratasys AP Limited as "Licensor"
AppliCAD Public Company Limited as "Licensee"



Date of contract : 1 January 2021

Objective : The Company and its subsidiaries have the right to be the distributor of 3D Printer under Stratasys as Non-Exclusive in Thailand and Indonesia.

Period : From 1 January 2021 to 31 March 2022

Conditions for Termination : 1. Either party may terminate the contract by informing to the other party 30 days in advance.
2. The Licensor may terminate the contract by written notice to the Licensee. In the event that Licensee breaches any of the terms of the contract and the inability to resolve such an event within at least 10 days from the date of receiving the notice.

Parties: GOM GmbH. as "Licensor"
AppliCAD Public Company Limited as "Licensee"



Date of contract : 1 October 2020

Objective : The Company has the right to distribute the 3D Scanner under GOM as Non-Exclusive in Thailand.

Period : 2 years from 1 October 2020 to 30 September 2022
If either party does not inform the termination of this contract at least 6 months in advance, the contract will be automatically renewed for 1 year at a time.

Conditions for Termination : The Licensee may terminate the contract if the following occurs;
1. A change in control of the affairs of the Licensee having the negative impact on the business.
2. Breaches any of the terms of the contract especially violation of payment term.
3. Serious breaches any of the terms of the contract which made a serious loss of business confidence.

7.2.2 Distributor Agreement of PT. Indonesia AppliCAD

Parties: Dassault Systemes SolidWorks Corporation ("DSSW")
as "Licensor"
PT Indonesia AppliCAD as "Licensee"



Date of contract : 1 February 2020

Objective : PT Indonesia AppliCAD the right to distribute SOLIDWORKS including other products and services mentioned in the contract as Non-exclusive in Indonesia as postal code specified in the contract as well as the rights of branding and marketing prescribed in the territory that are entitled to and the rights cannot be transferred (non-Transferable).

Period : 1 year from 1 February 2020 to 31 December 2021
If either party does not inform the termination of this contract at least 60 days in advance, the contract will be automatically renewed for 1 year at a time.
However, as of 1 January 2022, the Company has been renewed for additional rights until 31 December 2022.

Conditions for Termination : 1. Either party may terminate the contract by written notice to the other party. In the event that the other party breaches any of the terms of the contract and the inability to resolve the incident within 30 days of receiving the notice.
2. The Licensor may terminate the contract, in the event that the Licensee violates the terms of trade confidentiality or in the event of an authorized distributor of goods to a competitor without permission.
3. The Licensee is protected, liquidated or bankrupted.
4. The Licensee may terminate the contract if the Licensee changes the shareholding ratio more than 50%.
5. The Licensee may terminate the contract if the involved person is in the criminal prosecution and the Licensee considers that may have a negative impact on the reputation and image of the Licensee.

Parties: Graphisoft Asia Limited as “Licensor”
PT Indonesia Applicad as “Licensee”



- Date of contract** : 1 July 2018
- Objective** : PT Indonesia Applicad has to right to distribute ARCHICAD and MEP Modeler as Non-Exclusive in Indonesia as well as the rights of documentation, branding and marketing.
- Period** : 3 years; from 19 July 2021 to 18 July 2024
If the Licensor and Licensee do not notify the termination of the contract at least 1 month in advance, the contract is automatically renewed at a time for a year but not over two years
However, as of 19 July 2024, the Company has been renewed for additional rights until 18 July 2026.
- Conditions for Termination** :
1. Either party may terminate the contract by written notice to the other party. In the event that the other party breaches any of the terms of the contract and the inability to resolve such an event within at least 15 days from the date of receiving the notice.
 2. The Licensor may terminate the contract if the Licensee can not purchase up to 80% of the orders for tow consecutive quarters. Unless the purchases of their target are from a result of the overall economy.
 3. The Licensee is protected, liquidated or bankrupted.
 4. A change in control of the affairs of the Licensee.

Parties: Gstarsoft Co., Ltd. as “Licensor”
PT Indonesia Applicad as “Licensee”



- Date of contract** : 1 August 2021
- Objective** : PT Indonesia Applicad has the right to distribute GstarCAD as Exclusive in Indonesia and be able to appoint the Sub-Distributor and also grant the right of GstarCAD Exclusive Distributor in branding, distributing, services and marketing.
- Period** : 3 years from 1 August 2021 to 31 July 2024
- Conditions for Termination** :
1. The Licensor may terminate the contract if the Licensee cannot achieve as specified in the contract.
 2. Either party may terminate the contract by submitting a notice of termination to the other party 60 days in advance.

Parties: GOM GmbH. as "Licensor"
PT Indonesia Applicad as "Licensee"



Date of contract : 1 October 2020

Objective : PT Indonesia Applicad has the right to distribute the 3D Scanner under GOM as Non-Exclusive in Indonesia.

Period : 2 years from 1 October 2020 to 30 September 2022
If either party does not inform the termination of this contract at least 6 months in advance, the contract will be automatically renewed for 1 year.

Conditions for Termination : 1. A change in control of the affairs of the Licensee having the negative impact on the business.
2. Breaches any of the terms of the contract especially violation of payment term.
3. Serious breaches any of the terms of the contract which made a serious loss of business confidence

7.3 Investment Policy in subsidiaries and associated companies

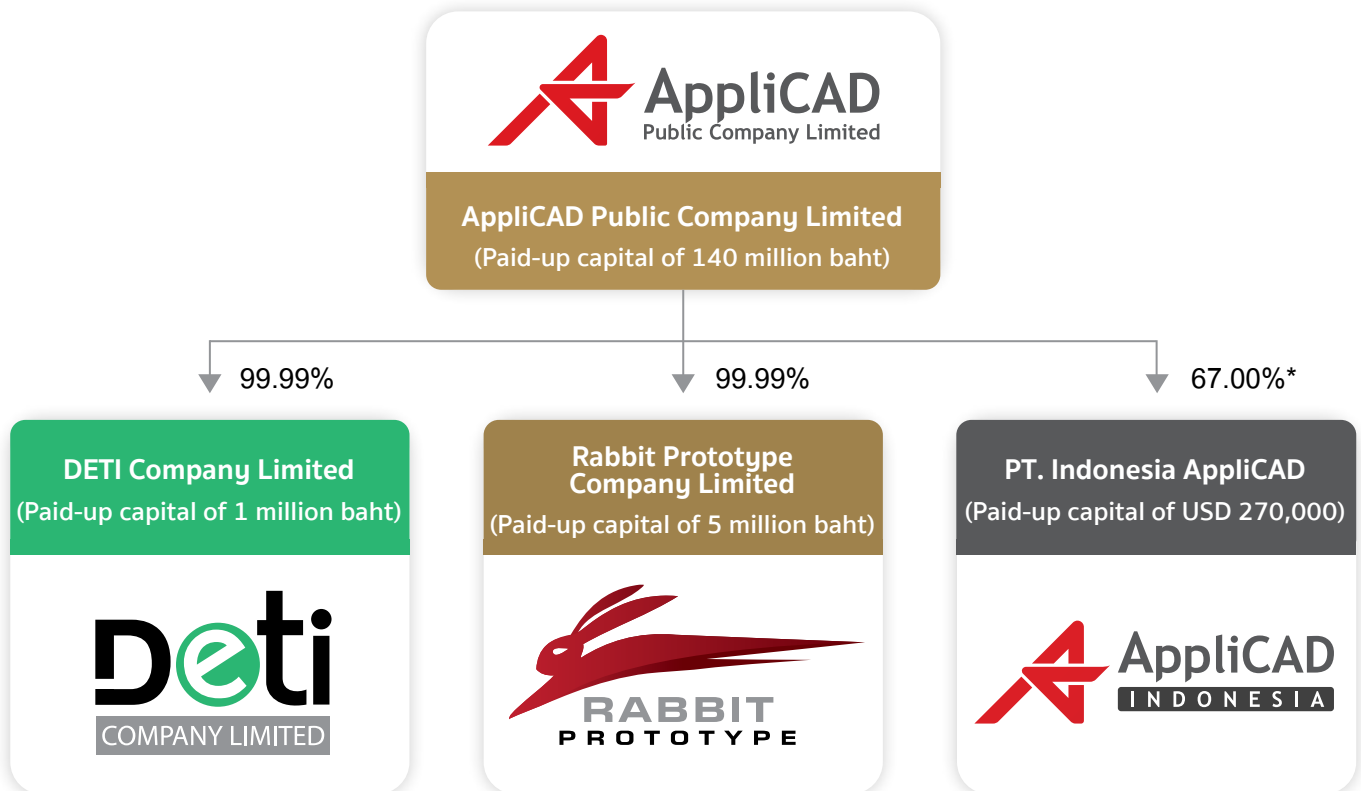
The Company will invest in companies with the same business objectives as the Company's core business or similar business or business supporting the Company's business which will increase its turnover or profitability or invest in synergy businesses for the Company by supporting the Company's core business operations to increase the Company's competitiveness. The Board of Directors may consider investing in other businesses than the Company's core business. If the Board of Directors sees such business as a potential business and such investment is beneficial to the Company and its shareholders.

To supervise the subsidiaries and associates, the Company will send directors or executives with the right qualifications and experience to conduct business to represent the management of the subsidiary and its associates to formulate important policies and control the business of such subsidiaries and/or associates. Directors representing the Company shall act in supervising subsidiaries and/or associates to manage or perform various operations in accordance with the Company's policies as well as to exercise their discretion in accordance with the resolutions of the Board of Directors and/or the meeting of shareholders of the Company to approve the critical matters of subsidiaries and/or associates to maximize the benefit of the Company and to achieve sustainable growth of the Company.

8. Undelivered Works

-None-

1.3 The Company's structure



Remarks: *

- The Company holds the shares in Series B of PT. Indonesia AppliCAD as 180,900 shares or 67% of the total paid-up shares. According to the Articles of Association of PT. Indonesia AppliCAD, the Company was entitled to receive the dividend of 95% from the total dividend as holding shares in Series B announced by PT. Indonesia AppliCAD.
- The remaining shares of PT. Indonesia AppliCAD or 33% held by Mr. Ibnu Afi Sena, the director of PT. Indonesia AppliCAD, does not have any relationship with the shareholder, committee and executive director of the Company. However, the Company has made the Shareholders' Agreement between Mr. Ibnu Afi Sena and the Company to grant the right to the Company to provide the first buyer (First Rights). If the Company could not provide any buyers, Mr. Ibnu Afi Sena would have the right to sell the shares of PT. Indonesia AppliCAD to anyone who requests to purchase them under the laws of Indonesia. The shareholders who request to sell the shares are requested to inform PT. Indonesia AppliCAD and the request must be approved by the meeting of shareholders.

Information of Subsidiaries

(1) DETI Company Limited ("DETI")

DETI was registered as a company on 26 September 2001 under the name of ETC Service Company Limited with the registered capital of 1 million baht which could be classified as 10,000 of the ordinary shares as the par value of 100 baht and on 25 December 2012, the Company purchased 9,998 shares of ETC Service Company Limited or 99.99% of the total paid-up shares. In 2016, ETC Service Company was changed the name to DETI Company Limited. DETI provides the training service of the mechanical and engineering design software and architectural engineering and construction design software. DETI was appointed as SolidWorks Authorized Training Centers from Dassault Systèmes SolidWorks Corporation and was also appointed as the Authorized Training Center from Autodesk, Inc., including Authorized SketchUp Training Center from Trimble Inc. Currently, DETI has 8 training rooms and could accommodate up to 86 trainees.

(2) Rabbit Prototype Company Limited (“RP”)

RP was registered as a company on 11 February 2011 with the registered capital of 5 million baht which could be classified as 50,000 of the ordinary shares as the par value of 100 baht and on 25 December 2012, the Company purchased 40,000 shares of RP from the shareholder or 80% of the total paid-up shares. After that on 26 November 2018, the Company also purchased more 9,998 shares increasing the shareholding proportion to 99.99% of the total paid-up shares of RP.

RP provides the business of prototyping and low volume production with the advanced technologies such as 3D Printers, Vacuum Casting and CNC machine.

(3) PT Indonesia AppliCAD (“APP Indo”)

APP Indo was registered as a company on 12 July 2013 with the 99% of total paid-up shares held by the Company. However, due to the change in the laws of Indonesia regarding the shareholding proportion of foreign shareholders of Distributor's sale not affiliated to production, it is specified that the maximum the shareholding proportion of foreign shareholders should not be over 67% of the total paid-up shares. Therefore, the Company had to reduce the shareholding proportion in PT. Indonesia AppliCAD to conform to the laws of Indonesia. Currently, APP Indo has the paid-up capital of 3,186,000,000 rupiah or USD 270,000 which are 270,00 ordinary shares as the par value of USD 1. The Company holds 180,900 shares or 67% of the total paid-up shares of APP Indo.

Moreover, in May 2019, APP Indo reclassified the shares as the registration of amendment of the Articles of Association into Series A as 89,100 shares or 33% of the total paid-up shares held by Mr. Ibnu Afi Sena and Series B as 180,900 shares or 67% of the total paid-up shares held by the Company and it also has the rights to the shareholder of Series B to receive the dividend before the shareholder of Series A at the rate of 95 percent of the dividend announced by APP Indo. So that, Mr. Ibnu Afi Sena does not have any relationship with the shareholder, committee and executive director of the Company, however he currently is the executive director of PT. Indonesia AppliCAD and the Company has made the Shareholders' Agreement with Mr. Ibnu Afi Sena that the Company has the right to provide the first buyer (First Rights). If the Company could not provide any buyers, Mr. Ibnu Afi Sena would have the right to sell the shares of PT. Indonesia AppliCAD to anyone who requests to purchase them under the laws of Indonesia. The shareholders who request to sell the shares are requested to inform PT. Indonesia AppliCAD and the request must be approved by the meeting of shareholders.

APP Indo operates the business of the distribution of 3D design solutions in Indonesia such as mechanical and engineering design software, architectural engineering and construction design software, 3D printer, 3D scanner and other related after-sale services.

Securities and shareholder information

1. Registered and paid-up capital

As of 31 December 2021, the Company has a registered capital of 140,000,000 baht classified as the ordinary share of 280,000,000 shares at par value of 0.50 baht and paid-up capital of 140,000,000 baht divided into 280,000,000 of the ordinary shares at par value of 0.50 baht.

2. Major Shareholder

The list of first 10 shareholders of the Company at the book closing date on 30 December 2021 is as follows;

List of shareholders	No. of shares	%
1. Group of Tangadulrat Family*	177,929,178	63.55
2. BNY MELLON NOMINEES LIMITED	14,635,000	5.23
3. Mr. Chaichat Wanichphak	10,000,000	3.57
4. Mr. Somsak Srisuthatkul	3,013,400	1.08
5. Thai NVDR Company Limited	2,786,708	1.00
6. Mr. Thanakarn Damrongrat	2,750,400	0.98
7. Mr. Chai Manopas	2,600,000	0.93
8. Mr. Pawaris Surakittidamrong	2,400,000	0.86
9. Mr. Rattanachai Phisitthanangkoon	2,200,000	0.79
10 Ms. Thitiporn Chathaisong	2,105,000	0.75
11. Mr. Isra Akarapitak	2,000,000	0.71
12. Other shareholders	57,580,314	20.56
Total	280,000,000	100

Remark: Group of Tangadulrat Family consists of the following names and number of shares

1.	Mr. Prapas	Tangadulrat	160,015,556 shares	57.15%
2.	Mr. Praphruet	Tangadulrat	10,000,000 shares	3.57%
3.	Mr. Chisanupong	Tangadulrat	6,473,600 shares	2.31%
4.	Mr. Prasit	Tangadulrat	658,700 shares	0.24%
5.	Miss Siriwan	Tangadulrat	668,000 shares	0.24%
6.	Mr. Prasert	Tangadulrat	90,000 shares	0.03%
7.	Miss Siwaporn	Tangadulrat	5,000 shares	0.002%
8.	Mrs. Nawaporn	Tangadulrat	2,222 shares	0.001%

1.4 Dividend Policy

The Company has a policy to pay the dividend to shareholders at a rate of not less than 40% of the net profit as recorded in the Company's Separate Financial Statement after the deductions of the corporate income tax and all legal reserves as required by law. However, the Company may consider the dividend payment differing from the Articles of Association of the Company depending on the Company's results of operations, Financial positions, cash flow, necessity of working capital in business management, investment plans as well as economic condition.

The Company may determine the Company's subsidiaries to pay the dividend to shareholders at a rate of not less than 40% of the net profit as recorded in the separate financial statement of the Company's subsidiaries after the deductions of the corporate income tax and all legal reserves as required by law. However, the Company's subsidiaries might consider the dividend payment differing from the Articles of Association of the Company's subsidiaries depending on the results of operations, financial positions, cash flow, necessity of working capital in business management, investment plans as well as economic condition.

2. Risk Management

2.1 Risk Management Policy and Plan

Risk management working team has performed its duties in accordance with the scope of duties assigned by the Board of Directors and was attended to consider important matters which can be summarized as follows:

1. To determine the appropriate risk management plan and risk management framework which complies with the Company's strategic plan and operations that changing according to the current situation to ensure that the Company is systematically and efficiently managed the risk management.
2. To promote risk learning and risk management for the Company's management and employees on a regular basis in order to emphasize the importance of risk management and to enable the Company to conduct its business in accordance with its targets.
3. To consider the annual risk management plan in which management from all relevant departments conduct risk assessments and prioritize risks, and formulate guidelines for risk response, including developing a plan to manage risks, or to control them appropriately and adequately at an acceptable level.
4. To monitor risk management in order to acknowledge the risk management results and regularly review the Company's risks as to whether there are any other risks increased or changed, and to provide additional recommendations to ensure that risk management is truly effective, and to report the risk management results throughout the organization to the Board of Directors.

From the summary above, the Risk Management Working Team has considered that the risk management is carried out systematically and in accordance with good Corporate Governance, adequate internal control and business suitability, as well as closely monitoring the risks, which is part of enabling the Company to achieve the objectives of implementing the specified business plan and valuing the Company to deliver sustainable delivery to its shareholders and stakeholders.

2.2 Risk Factor

In order to support the Company's objectives and goals, the Risk Management Working Team has analyzed risks from internal factors such as efficiency in operating processes, personnel, and strategies that can meet current business operations and external factors which has been affected by the changing business environment, stakeholder's expectations, competition, trading negotiating power of trading partners and clients, including economic and political trends. The risks factor can be divided into 4 groups as follows:

1. Strategic Risk

Risk	Risk Cause	Risk Mitigation Measures
High competitiveness in the Company's business.	The 3D design industry of software and products has strong competitiveness among technical developer and distributors of 3D design software and products.	1. Find the world's leading software and 3D design solutions that meet the needs of the Company's customers. 2. Build a wider customer base as an engineer, architects, contractors, including students and/or educational institutions. 3. Focus on providing services to fully accommodate customers' needs and promoting professional quality after-sales service.

Risk	Risk Cause	Risk Mitigation Measures
Technology is evolving and changing rapidly and constantly.	Industrial and architectural design and construction software, including 3D design products, as well as related services, are rapidly changing businesses based on evolving and constantly changing technologies to meet the needs of customers in a timely way, this may result in loss of customer base and may affect operations.	<ol style="list-style-type: none"> 1. Find software and products with advanced technology and high efficiency from the world's leading product owners to continuously meet the needs of customers. 2. Build good relationships with the world's leading product owners. 3. Regularly transfer knowledge and trends or changes in technology and encourage employees to closely monitor information about the development of new technologies.
Copyright infringement of products of the Company.	The Company's main revenues from software distribution may be affected by copyright infringement issues as well as affect sales and product image at the Company.	<ol style="list-style-type: none"> 1. If copyright infringement of the Company has been found, the notification clarification will be sent to the user. 2. The Company has created a system to prevent unauthorized reproduction, modification or smuggling of software.
Dependence on SOLIDWORKS products	If the product owner changes the business model or the Company terminates the reseller contract or does not receive a contract extension, it may affect the Company's revenue and performance, which the right to sell must be renewed annually.	<ol style="list-style-type: none"> 1. Develop a strategy to present SÖLDWORKS, allowing it to build a strong customer base of SÖLDWORKS users, leading to continued sales growth. 2. Establish a good relationship with the product owner, thus giving the Company the right to distribute from 1 year to 5 years, which is considered to be the trust of the product owner.

2. Operational Risk

Risk	Risk Cause	Risk Mitigation Measures
Dependency on some personnel	The Company's business is specialized to rely on some personnel with expertise and experience in 3D design software and products, as well as having a good understanding of the customer's processes, in order to offer and provide services that meet the needs of customers.	<ol style="list-style-type: none"> 1. Support for personnel at all levels to develop their skills and knowledge on a regular basis 2. Policy to encourage employees to pass training and get certified (Certified) from the product owner at the Group of Companies. Being a dealer 3. Appropriate compensation is set, in order to motivate such personnel to work with the company

Risk	Risk Cause	Risk Mitigation Measures
Operation from the COVID-19 pandemic	As many companies have taken measures to prevent and control the transmission of COVID-19, third parties are unable to access their customers' workplaces. In addition, the government has social distancing and work from home measures, which affect the operation of the Company's employees who are technical support, as well as sales and technical support staff who will have to access to the customer's workplace to recommend services, install programs, and solve problems.	1. The Business Continuity Plan (BCP) has been established to guide the Company's business operations during a period of crisis, 2. Encourage employees to use technology and internet in order to recommend services, install programs, and solve problems instead of visiting customer workplaces.
The Company's performance has been affected by the COVID-19 pandemic.	Due to the situation of the COVID-19 affecting the Company's operations of the customers. Including the services of the Company. Therefore, making the customers of the Company's order has been suspended, postponed, including extending the time of payment. As a result, the sales volume of the Company has been decreased, as well as the services	Promotional activities are designed to promote sales and revenue of the Company.

3. Financial Risk

Risk	Risk Cause	Risk Mitigation Measures
The impact of operating results and financial position of overseas subsidiaries	Established PT Indonesia Applicad in Indonesia to increase investment opportunities there but in the past, the results continued to be decreased because the income base is still small while it has a high proportion of distribution costs and administrative expenses.	1. Modify the strategy and form of marketing of PT Indonesia Applicad to meet the needs of customers in Indonesia. 2. Recruit knowledgeable and talented personnel to join PT Indonesia Applicad.
Revenue fluctuations from 3D design products distribution business (hardware)	Because 3D printers for industrial use are expensive, together with the customers who need 3D printers, they are still in a limited range and offering products and demonstrations for customers to consider and make purchase decisions for quite a long time. As a result, revenues from the distribution of such products are quite volatile.	1. Regularly organize marketing activities to make 3D printer technology more recognizable and to give potential customers a glimpse of the practical benefits of this technology. 2. The importance of closely managing customer relationships and continuously monitoring the progress and feasibility of customer orders to ensure that the sale can be closed. 3. Recruit newer printers with price ranges that make it easier for small and medium-sized entrepreneurs to access such technologies.

4. Compliance Risk

Risk	Risk Cause	Risk Mitigation Measures
Having a major shareholder holding more than 50% of the shares	Mr. Prapas Tangadulrat, a major shareholder of the Company, owns the 57.14% of the issued shares. As a result, such shareholder has the power to control the Company and influence the Company's decisions in almost any matter regarding the appointment of directors, or requesting a resolution on other matters requiring a majority of the shareholders' meeting, except for the matters required by law or articles of association of the Company. Require that at least three-four votes be received at the shareholders' meeting.	The Audit Committee has been appointed to investigate, in order to ensure transparency in the Company's operations and the Board of Directors structure consists of 4 independent directors (including the Chairman of the Board) from a total of 8 directors.



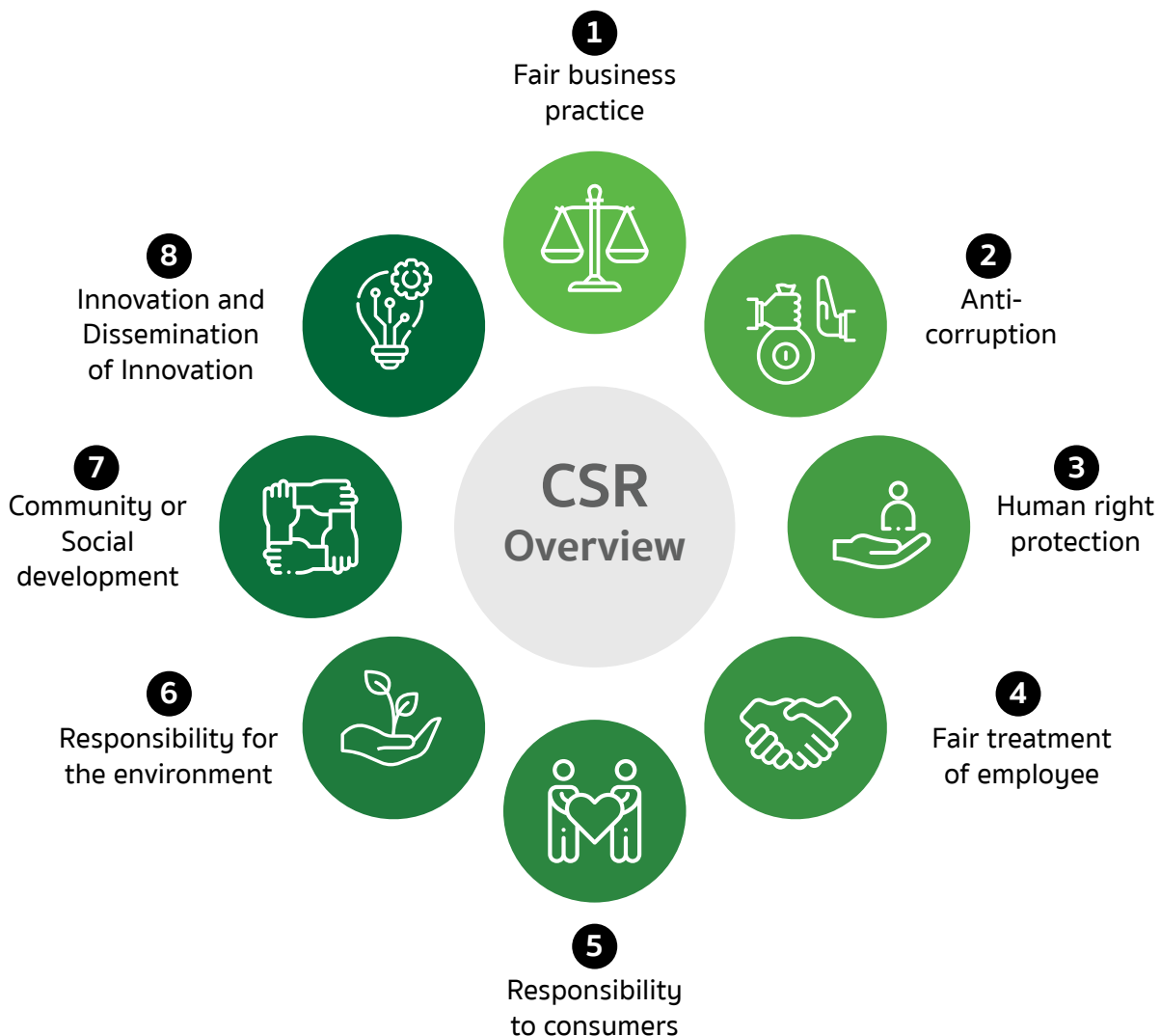
| **Business
Sustainability**

3. Business Sustainability

Corporate Social Responsibilities: CSR

Overview

The Company has focused on the business operation for the sustainable growth and has conducted the business in a good way to society with the good corporate governance principles and ethics. The Company has recognized the importance of responsibilities to stakeholders, economic, society and environment by defining the Corporate Social Responsibilities ("CSR") according to the principles defined by the Stock Exchange of Thailand. The Company has employed the CSR principles as the guideline to define the operation process (CSR-In process) and to ensure that all employees are aware of and perform the duties under such policies effectively based on responsibility to society, environment and stakeholder as follows;



(1) Fair business practice

The Company has committed to conduct its business correctly, honestly, justly, transparently and has also disclosed the important information that can be checked. The Company will consider the benefits and impacts to shareholders, customer, suppliers, employees and stakeholders, including sharing the benefits properly and fairly. However, the Company has given the importance of complying with the laws as well as the international code of conduct by assigning directors, executives and employees to follow the laws, regulations without taking part in any accomplices, supports or any actions violating the related laws and regulations.

(2) Anti-corruption

The Company and its subsidiaries have had the intention and commitment to conduct its business with transparency, fairness, and responsibility for all stakeholders for a sustainable growth of the Company with the principles of a good corporate governance, ethics, code of conduct anti-corruption policy that can be verified.

Directors, executives and employees of the Company must strictly comply with the Company's anti-corruption policy, ethics and code of conduct to build confidence to stakeholders both inside and outside the organization to conduct the business together with honesty.

Moreover, the Company has provided the channel to receive any clues and complaints about the dishonest and non-transparent actions as well as any illegal actions against policies, rules and regulations of the Company.

(3) Human right protection

The Company has recognized that doing the business must respect the life and dignity of all people which is the foundation of human resources management and development as well as building human relationships in society. The Company has the guidelines to promote and encourage the compliance with the basic principles of human rights and equality without discrimination of race, nationality, religion, language, color, gender, age, education, social status or physical condition as well as taking care of employees to work in a safe and happy environment.

(4) Fair treatment of employee

The Company has recognized that importance of human resource development and fair treatment of employee are crucial factor to increase the business value and to strengthen the competitiveness and sustainable growth of the Company in the future.

The Company has defined the guideline for the employee's treatment. The Company's executives must treat its employees fairly without any biases to support the potential creation in progress, to enhance employee's productivity as well as to encourage employees to understand the Code of Conduct that employees must comply with. Therefore, the Company has defined the Employees Benefits appropriately to lighten the burden of the employees and to take care of the employees such as provident fund, treatment fee for outpatient, life insurance and group health insurance, annual check-up, financial support for sports and exercises as well

as financial assistance in various cases such as ordination, childbirth, death and so on.

Moreover, the Company has provided the support its employees to develop themselves all the time in order to increase the efficiency of the employees in all level. The Company always holds the training for the employees of the practical skills and English language skills to improve self-development and organization.

(5) Responsibility to consumers

The Company has defined the guideline for its employees to strictly follow when treating the customers as the code of conduct, taking care and being responsible to the customers in term of quality and service as its standard and regulations as follows;

- 5.1 Treat customers fairly in both products and services
- 5.2 Disclosure of information about the products and services accurately and completely
- 5.3 Keep confidential data and customer information
- 5.4 Educate the customers to develop the products and services
- 5.5 Provide more channel to receive complaint about products and services to comply with the Company's complaint policy.

(6) Responsibility for the environment

The Company has emphasized on the responsibilities for the society, community, environment for human life while today's society begins to realize the importance of environmental protection. Therefore, the Company has operated and seriously controlled the compliance with the laws relating to the environmental protection.

(7) Community or Social development

The Company has defined the guideline to follow or control the compliance with the related laws and regulations and has been responsible to the society as well as cooperated, assisted, supported and volunteered any activities that benefit the community and society. The Company has also strengthened the economy and rehabilitated the society and innovation.

(8) Innovation and Dissemination of Innovation

The Company has supported the innovation in the various fields, especially in the working process both within the organization and between organizations by emphasizing

on the creative innovation that creates the positive change in productivity and value-added for maximum benefit to society. So that, the Company counted an innovation publication as one of CSR by communicating and disseminating of innovation to the stakeholders directly and indirectly in various channels to ensure that this innovation information will be reached to the stakeholders. This policy can reinforce the user base to the Company's products. This will lead to the achievement of corporate social responsibility goals in driving the organization towards sustainability.

Activities for the benefit of society and the environment (CSR-After Process)

AppliCAD Public Company Limited has focused on corporate social responsibility (CSR), as well as the importance of creating society, environment, education and quality of life of the citizens. This is because the sustained growth of the Company is driven by quality people and a strong society. Therefore, there are regular social activities organized by the Company. The important activities that the company has organized and participated in 2020 are as follows:

Educational Social Activities

The Company has realized the importance of the development of children, youth and people in society, as well as believing that providing educational opportunities can open the door to better career opportunities and quality of life through the transfer of knowledge, expertise and development of 3D design skills along with comprehensive practical training for the sustainable education.

The Company cooperated with Burapha University ►

to enhance students' skills in using building structure analysis software "ProtaStructure" and able to create works that can be further developed by promoting the use of 3D design technology, especially BIM (Building Information Modeling) technology, which will help promoting and developing the architecture and construction industry. It focuses on design using BIM technologies such as ArchiCAD software, including structural analysis. (ProtaStructure), which is an important part that should lay the foundation for all involved, especially the government, academia, and the private sector. The introduction of BIM is a part of teaching and learning that will increase the strength and power of personnel and drive construction standards in Thailand.



◀ Signed a memorandum of understanding on academic cooperation

with the Institute of Personnel Development in the field of Automation and Robotics Technology (MARA), Department of Skill Development, under the main objective of developing manpower to meet the needs of the labor market and the industrial sector, as well as responding to the needs of countries in the Eastern Economic Corridor (EEC) and nearby areas by focusing on knowledge, skills development, manpower competence in engineering and architecture with 3D design to upgrade the skill of Thai workers to be highly skilled workers to support modern technology and innovation.

The company has supported the human resource development project, ►

Computer Drafting Program with BIM ArchiCAD Program of Phuket Technical College. The Company provided support for training programs and as a lecturer to teach the use of teachers (Train the trainer) to transfer skills to students who will become personnel in the field of BIM in the future.



Social Activities for Promoting Quality of Life

The Company has aimed to enhance and promote the development of the quality of life of people in the community and society in order to have a good quality of life and stay safe from various dangers as a good foundation for building a strong and sustainable society.

Supported and assisted in using ARCHICAD THAI BIM software ►

in designing and estimating the amount of material in construction, as well as donating funds for the construction of a multi-purpose building measuring 4x9 meters to be used as a multi-purpose building for learning to enhance careers, coffee related products, local weaving, welfare shops and community OTOP products distribution center according to the royal initiative to promote the development of quality of life and learning of youth in remote areas as well as supporting the volunteer spirit Generosity for Company employees leading to sustainable development.



“Happiness Bag” project, (We can smile, you can smile). ►

The Company, along with the management team and volunteer employees did the social assistance activities to provide survival bags to people affected by the Coronavirus Disease 2019 (Covid-19) epidemic in various communities worth 100,000 baht.



The Company donated to fund medical equipment for hospitals in 4 regions ►

due to the 3DX Ranger activity, which is one of the activities of AppliCAD's 3DEXperience SOLIDWORKS Day 2022. The engineers in each sector joined in the knowledge contest, answer questions, collect points to find the district team with the highest cumulative score to Win a prize money to donate to a designated regional hospital, totaling 50,000 baht.



Social Activities on Innovation and Technology

The Company has strived to be a leader in technology consulting and product selection to promote the innovation in designing and manufacturing, as well as construction to meet the customers need in the digital society. In addition to selecting the best quality products, the Company has focused on innovation, technology and services, including information and learning resources to reduce inequality within society and create opportunities for sustainable development of people, economy and society.

AppliCAD's 3DExperience SOLIDWORKS Day 2022 (3DX SOLIDWORKS 2022)

The seminar is held annually but this year was held as Virtual Event 100% to present a comprehensive range of technology and innovations in industrial design and to unite people who are relevant to the industry for learning and exchanging experiences with each other, as well as update innovations and new design software technologies.



AppliCAD THAI BIM Conference 2021

The seminar is held annually to present a comprehensive range of technology and innovations in architectural design and construction, as well as to unite people who are related to the real estate industry. We also update software technology for architectural design and construction to raise Thai design process standards to the international level with BIM: Building Information Modeling.



4. Management Discussion and Analysis

4.1 Analysis of operations and financial status

4.1.1 Overview of the previous performance

The Company, the reseller of Mechanical solutions (MEC), Architecture Engineering & Construction (AEC) and 3D designing products (hardware); 3D printing, 3D scanner as well as other related services has been appointed by the world's leading product owners such as SOLIDWORKS from Dassault Systems SOLIDWORKS Corporation, ARCHICAD from Graphisoft SE, 3D Printer from Stratasys AP Limited and 3D scanner GOM from Gom GmbH. In order to provide the full service of 3D designing solutions, the Company has also provided the software training and prototyping service with the 3D printing. Moreover, the Company has also expanded into Indonesia under the name of PT. Indonesia AppliCAD by holding 67% of issued shares.

After all this time, the Company has focused on providing the best products and technologies to create the satisfaction for our customers by continuously searching for new products and services to expand their business. As a result, the Company has gained more trust from customers and product owners which are affected to the Company's performance. From 2019 - 2021, the Company had the total revenue as 734.97 million baht, 658.11 million baht and 798.91 million baht respectively. Meanwhile, net profit of the Company was 57.63 million baht in 2019, 44.98 million baht in 2021 and 58.73 million baht in 2021 due to the recession of the construction sector and government investment, while the EEC project has been under the planning stages, as well as the spread of COVID-19 which has caused some projects to be postponed. However, there have been positive prospects in the government of vaccination is in the range of 1-2 that would take some time for the overall economic recovery.

4.1.2 Analysis of operating

1. Revenue

From 2019 - 2021, the Company had the total revenue as 734.97 million baht, 658.11 million baht and 798.91 million baht respectively, consisting of the revenue from selling products, services and others as following details;

Type of service	2019		2020		2021	
	Million Baht	%	Million Baht	%	Million Baht	%
Sales revenue of product	441.68	60.09	365.43	55.52	460.15	57.60
Sales revenue of service	285.30	38.82	282.56	42.94	324.46	40.61
Other revenues	7.99	1.09	10.13	1.54	14.30	1.79
Total revenue	734.97	100.00	658.12	100.00	798.91	100.00

Sales Revenue

From 2019 - 2021, the Company had the sales revenue as 441.68 million baht, 365.43 million baht and 460.15 million baht respectively. It could be calculated as the declining growth rate of 17.26% in 2020 and increased by 25.92% in 2021. The sales revenue of the Company from software and 3D design products were as following details;

Type	2019		2020			2021		
	Million Baht	%	Million Baht	%	Growth (%)	Million Baht	%	Growth (%)
Sales revenue from software	287.40	65.07	278.20	76.10	(3.20)	265.77	57.76	(4.47)
Sales revenue from hardware	154.28	34.93	87.23	23.90	(43.46)	194.38	42.24	(122.84)
Total sales revenue	441.68	100.00	365.43	100.00	(17.26)	460.15	100.00	(25.92)

(1) Sales revenue from software

Sales revenue from software has been the main revenue of the Company calculated as the ratio of 60–80% of the total sales revenue. It could be separated into the mechanical design solutions as the ratio of 65% of sales revenue from software and architecture engineering & construction design solutions as the ratio of 35% of sales revenue from software. The Company had the sales revenue from software as 287.38 million baht in 2019 and 278.20 million baht in 2020 or 3.20% of the declining growth rate as the result of sales revenue growth of software in the mechanical design solutions of 10.67% in accordance with the growth of manufacturing sector shrinkage as 2.93% with the main factor of the expansion of manufacturing in export industries such as computer, component and automotive and so on. Meanwhile, the sales revenue from architecture engineering & construction design solutions increased only 0.69% from previous year because of the impact of the recession in the domestic construction industry. Many customers have postponed the order of architecture engineering & construction design solutions. In 2020, the Company had the sales revenue from software as 278.20 million baht decreased by 3.20% from previous year. The sales revenue from software of mechanical design solutions decreased by 4.47%, declining almost at the same ratio of 2020 in accordance with the recession of manufacturing sector and automotive industry.

For 2021, the Company had the sales revenue from software as 265.77 million baht decreasing from the same period of last year by 4.47% with the declining sales revenue from software of mechanical design solutions of 5.14% and the sales revenue from software of architecture engineering & construction design solutions was similar to the previous year due to the recession in the industrial production, especially in export production, which has been affected by the global economic recession and trading barriers

along with the recession in the construction sector and government investments. However, EEC project has been in the planning stages and there have been concerns over COVID-19 (Omicron), causing operations in some projects to be postponed, but likely to be positive after the government of vaccination as a booster of 3rd and 4th injection and also is currently, given to children that would take some time for the overall economic recovery.

(2) Sales revenue from hardware

Sales revenue from 3D design products has mainly derived from 3D printing technologies, such as 3D printer for industrial use as well as related consumables. Products in this group are expensive, therefore the decision-making process might take time. In some cases, it is a high value project and the sales revenue of products in the group is very volatile. In 2019, the Company had the sales revenue from 3D design products as 154.28 million baht separated into sales revenue from 3D printer as 121.92 million baht and sales revenue from consumables as 32.36 million baht. In 2020, the Company had the sales revenue from 3D design products as 87.23 million baht separated into sales revenue from 3D printer as 56.34 million baht and sales revenue from consumables as 30.89 million baht. The sales revenue from 3D design products in 2020 reduced by 43.46% from 2019.

In 2021, the Company had the sales revenue from 3D design products as 194.38 million baht separated into the sales revenue from 3D printer as 138.86 baht and sales revenue from consumables as 55.52 million baht. The sales revenue from 3D design products increased by 122.84% the same period of last year due to the recession in the construction sector and government investments. However, EEC project has been in the planning stages and spreading

of COVID-19. Currently, vaccination is given to children, causing operations in some projects to be postponed.

Sales revenue from Services

The sales revenue from services has been calculated as 30-45% from the total of sales revenue of the Company. From 2019 - 2021, the Company had the sales revenue from services as 251.17 million baht, 285.30 million baht and 282.56 million baht respectively. The Company has the main service known as Subscription Service which is the software upgrade, or/and maintenance service of 3D printers as the Subscription Service package. This sales revenue will be gradually recognized throughout the period in the contract. Since 2019 onwards, the Company also has had the policy to focus on the Subscription Service customer of SOLIDWORKS, mainly because more than 80% of sales revenue from Subscription Service has derived from SOLIDWORKS. Therefore, the Company has set a team of Customer Service Engineering (CSE) to take care of new customers throughout the first-year period under the contract. As a result, the customers purchasing SOLIDWORKS in the first year have increasingly renewed the Subscription Service and also focus on the group of customers purchasing SOLIDWORKS and did not renew the Subscription Service. After focusing on this group, it could make our previous customers renew the service contract. From that policy, the Company has more the Subscription Service contracts which are still active as 3,121 contracts as at the end of 2019 and 3,298 contracts as at the end of 2020.

In 2021, the Company had the sales revenue from services as 324.46 million baht increased by 14.83% from the same period of last year. At the end of 2021, the Company had the active Subscription Service of SOLIDWORKS as 3,577 contracts increased by 8.46% from the same period of last year. The Company also added a sales model of 2D programs for rent as the sale of 2,289 contracts.

Moreover, the Company has also provided other services to meet customer needs such as prototyping, low volume production, 3D design as the requirement from the customers (Customized Services) and training service. In 2019 - 2021, the Company had the sales revenue from other services as 49.60 million baht, 41.78 million baht and 63.33 million baht respectively. It could be calculated as the decline in growth rate of 14.79% and increase in growth rate of 51.61% respectively from the sales revenue from services. In 2021, the Company's revenue from training

services decreased due to the effects of COVID-19, so that training cannot be held. However, in the middle of the year, there has been the online services that could generate a certain level of revenue and to comply with the overall economic recession, the Company has focused on adding more value to our products and services such as the 3D design service, software development to meet the customers' needs and so on.

Other revenues

In 2019 to 2020, the Company had the other revenues as 7.99 million baht or 1.09% and 10.13 million baht or 1.54% from the total revenue. Other significant revenues were the shared commission and market funding from the product owners and the exchange gains. The Company received the shared commission and market funding from the product owners as 3.65 million baht and 5.53 million baht. Moreover, the Company also gained the exchange gains as 1.58 million baht and 1.36 million baht respectively.

In 2021, the Company had the other revenues as 14.26 million baht or 1.79% from other significant revenues which are the shared commission and market funding from the product owners as 6.37 million baht and gain on sale of property 0.58 million baht.

2. Costs and expenses

The costs and expenses of the Company consist sales and service cost, distribution cost, administrative cost and financial cost. From 2019 to 2020, the Company had the total costs and expenses of 662.77 million baht, 601.05 million baht and 717.37 million baht respectively which could be calculated as 90.18%, 91.33% and 89.79% of the total revenue as the following details;

Costs and expenses	2019		2020		2021	
	Million baht	%	Million baht	%	Million baht	%
sales and service cost	380.30	57.38	338.05	56.24	442.87	61.74
distribution cost	176.31	26.60	162.47	27.03	173.86	24.24
administrative cost	106.16	16.02	100.18	16.67	100.31	13.98
financial cost	0.00	0.00	0.35	0.06	0.33	0.04
total costs and expenses	662.77	100.00	601.05	100.00	717.37	100.00
% per total revenues	90.18		91.33		89.79	

Cost of sales and service and gross profit

The cost of sales and service is the main expense of the Company. From 2019 to 2020, the Company had the cost of sales and service as 380.30 million baht, 338.05 million baht and 442.87 million baht, which could be calculated as 57.38%, 56.24% and 61.74% of the total costs and expenses of 2019 to 2021. If comparing the costs and expenses of 2019 to 2021, the Company had such revenues calculated as 52.31% and 52.17% and 56.44%, of revenue from sale and service respectively. It could be calculated as the gross profit of 47.69%, 47.89% and 43.56%. However, the cost of sales and service could be classified into 3 groups which are cost of software, cost of 3D design and cost of service as follows:

1. Cost of software

From 2019 to 2020, the Company had the cost of software as 156.86 million baht and 151.20 million baht which could be calculated as the gross profit of 47.63% and 45.65%. As a result, the gross profit margin of software in 2020 decreased from 2019 due to the increasing of the share of software sales, as well as the recovery of the construction industry and launching new product known as THAIBIM made the sales and gross profit of AEC software better.

In 2021, the Company had the cost of software as 157.01 million baht calculated as the gross profit margin of 40.92% decreased from the gross profit margin of 2020 due to a 10%-increase in the price adjustment of supplier.

2. Cost of hardware

From 2019 to 2020, the Company had the cost of 3D design products as 102.48 million baht and 55.14 million baht calculated as the gross profit of 33.57% and 36.80% respectively. It has showed that the cost of 3D design products is quite volatile because the Company has begun to expand the business to the government and educational institutions, therefore, the price competition strategy has been used to build a customer base and expand the market for customers in this group. In addition, in 2021, the Company has organized the products to the large project for government and educational institutions which was the distribution of the Company's products alongside other products that the Company is not a reseller to make the cost of the product increase.

In 2021, the Company had the cost of selling 3D design products of 131.98 million baht calculated the gross margin of 32.11% increasing from the gross margin in 2020, which was 36.80% due to the 3D printer sales that occurred in 2021 are mainly large-format 3D printers and products, printers and metal-printed 3D products must be procured through multiple dealers.

3. Cost of service

The Company had the cost of service of 120.96 million baht in 2019, 131.72 million baht in 2020 and 153.88

million baht in 2021, representing a gross profit margin of 57.60%, 53.38% and 52.57%, respectively. These are subscription service costs, which are costs that the Company paid to the product owner, which accounted for 67.55%, 69.85% and 69.21% of service costs in 2019 - 2021, respectively. In addition, another important part of service cost is the cost of technical support providing services to customers both before and after sales. Employee expenses accounted for 14.31% and 14.27% of service costs in 2019 - 2020, respectively.

In 2021, the Company's service costs amounted to 153.88 million baht, representing a gross profit margin of 52.57%, decreased by 0.81% compared to a gross margin in 2020 due to the adjustment of the subscription service cost price approximately 10% and the Company had a lower training fee income due to the spread of the COVID-19, therefore, training cannot be organized. And employee expenses accounted for 11.97% of the cost of services.

Gross profit and margin

From the mentioned above cost impact in 2019 - 2020, the Company had the gross profit as 346.69 million baht and 309.93 million baht calculated as 47.69% and 47.83% respectively of gross margin. The reason that margins have decreased during 2019 – 2020 is because of the decrease of gross margin from software sales while the cost of some main software has been increased, as well as the software with a lower gross margin that the Company is not a dealer, had the growing proportion, including 3D printer sales made in 2019, mainly sold to business partner customers, which have lower margins than sales to regular customers, resulting the Company had the lower gross margin. In 2020, the Company had the gross profit as 341.74 million baht calculated as the gross margin of 43.56% which is similar to the gross margin in 2019.

Cost of distribution

The company had the distribution costs of 176.31 million baht in 2019, 162.47 million baht in 2020 and 173.86 million baht in 2021, accounting for 23.99%, 24.69% and 21.76% of sales and service revenue, respectively. The proportion has been consistently decreasing due to the increase of the Company's revenue every year, while the cost of distribution is largely non-volatile based on income, such as salesperson salary, marketing expenses and travel expenses, etc. Significant distribution costs of the Company

have included the employee expenses and marketing expenses as follows:

The employee expenses which mostly is the compensation paid to salesperson as a monthly salary, commission and remuneration based on the sales performance. The Company had employee expenses in 2019 amounting to 129.77 million baht and 125.08 million baht in 2020. Employee expenses accounted for 57.66% and 76.99% of total distribution costs in 2019 - 2020 respectively.

The marketing expenses have included the costs of public relations and promotion involved in annual events and seminars such as SOLIDWORKS Innovation Day, Metalex and ARCHICAD THAI BIM Conference, as well as online marketing such as Facebook and Google, including the souvenir expenses and reward for customers. In 2019-2020, the Company had the marketing expenses of 18.02 million baht and 13.02 million baht, respectively, accounting for 10.22% and 8.65% of total distribution costs in 2019-2020.

In 2021, the Company had the distribution costs of 173.86 million baht, accounting for 21.16 percent of revenue from sales and services. The major distribution costs were employee expenses which amounted to 125.08 million baht and marketing expenses of 13.08 million baht, accounting for 76.99 percent and 8.05% of distribution costs, respectively.

Cost of administration

In 2019 - 2020, the Company had the administrative cost of 106.16 million baht and 100.18 million baht, accounting for 14.44% and 15.22% of total revenue, respectively. It can be seen that the Company has tightened control over administrative expenses. As a result, the proportion of administrative expenses of the Company has been steadily decreasing.

The significant administrative expenses have been the expenses associated with the executives and employees such as salary, bonus and other welfares which can be calculated as 67.76% and 67.25% of administrative cost from 2019 – 2020, respectively and the expenses related to office buildings such as rental, utility, depreciation, etc., accounted for 13.13% and 14.66% of administrative costs in 2019 – 2020, respectively. Moreover, the Company also employed measures taken by the government to remedy and mitigate the impact of the coronavirus outbreak, Omicron, including the remittance of social security contributions by temporarily stopping the contribution of the provident fund - the employer's part. These expenses accounted for 4.40%, 5.40% and 6.82% of administrative expenses in 2019 – 2021.

In addition to the above costs, other administrative expenses have been the consumables, bank fees and travel expenses, etc.

In 2021, the Company had administrative expenses of 100.31 million baht, accounting for 12.56% of total revenue. The main administrative expenses were expenses related to management and employees of 74.27 million baht and related expenses with the office amounting to 11.11 million baht, accounting for 74.03% and 11.08% of administrative expenses, respectively.

Financial expenses

The Company had the financial expenses of 0.01 million baht in 2019 and 0.35 million baht in 2020, arose from bank overdrafts and short-term loans from financial institutions and 0.33 million baht in 2021 which was current limits for use in the Company's business operations.

3. Net profit

From the Company's operation above, from 2019 - 2021, the Company had a net profit of 57.63 million baht, 44.98 million baht and 58.73 million baht, respectively, representing a net profit margin of 7.84%, 6.83% and 7.35%, respectively. The reason was that the rate of increase in net profit in 2019 as a result of the revenue from sales and services of the Company increased, while the cost of distribution and the cost of administration have been largely fixed expenses that did not vary according to revenue resulting in economies of scale and in the increase

of the Company's net profit rather than any year.

In 2021, the Company had more effectiveness in administration cost, decrease of marketing activity expense because of the measures to cure and reduce the effects of COVID-19 from the government employed by the Company such as remittance of Social Security Contribution, temporary suspension of delivery of provident funds of employer and the record of research and development expenses as intangible assets during development of 3.35 million baht, resulting in a decrease of 7.85% and 5.64% of distribution and administrative expenses compared to the previous year. As a result, in 2021, the Company has been able to generate a net profit of 58.73 million baht or profit margin of 7.35%.

Return on equity

When considering the return on equity, it is evident that the rate of return on equity adjusted in line with the growth rate of net profit. The Company had the return on equity of 27.58% in 2019, 13.54% in 2020 and 16.75% in 2021. In addition, the company had continuously paid dividends to shareholders of 67.02 million baht in 2018. And there was also an interim dividend payment from net profit for the year ended 31 December 2019, amounting to 28 million baht in 2020.

4.3.1 Financial Position

1. Asset

At the end of 2019 - 2021, the Company had the total assets of 615.45 million baht, amounting to 660.44 million baht and 732.92 million baht. The major assets of the Company were trade accounts receivable, other contract-current assets and property, plant and equipment. At the end of 2019, the proportion of such important assets to total assets was 10.72%, 10.50% and 14.56%. In 2020, the proportion of such important assets to total assets accounted for 10.55%, 9.08 and 14.03%, respectively, and in 2021, the proportion of such important assets to total assets accounted for 11.49%, 11.91% and 13.75%, respectively. Details of key assets of the Company can be summarized as follows;

Total assets have increased by 72.48 million baht or 10.97% compared to 31 December 2020 due to the increase of trade accounts receivable and other receivables increased by 14.54 million baht or 20.86%, due to the extension of collection time from receivables contract-current assets increased by 27.34 million baht or 45.61%, due to an increase in annual 2D design lease services, inventories increased by 13.06 million baht or 38.66% due to products awaiting delivery. Other contract-non-current assets cost assets of contracts increased by 4.05 million baht or 31.07% due to assets arising from contracts that were more than 1 year, property, plant and equipment for investment, an increase of 8.15 million baht or 8.80%. Intangible assets under development – net increased of 11.51 million baht or 215.72% caused by the development of the platform to serve customers and intangible assets under system development - ERP, deferred tax assets decreased by 4.80 million baht or 29.41% due to reversal of tax impairment. As a result, the Company had the increased net profit.

Account Receivables

The Company had trade accounts receivable before deducting allowance for doubtful accounts of 54.37 million baht at the end of 2019, amounting to 62.44 million baht at the end of 2020 and 75.82 million baht at the end of 2021, accounting for 8.84%, 9.45% and 10.34 of total assets, respectively. The Company had a credit term policy of approximately 30-60 days, average debt collection was 31.09 days, 32.45 days and 31.72 days, respectively.

Overdue period	As of 31 Dec 2019		As of 31 Dec 2020		As of 31 Dec 2021	
	Million baht	%	Million baht	%	Million baht	%
Not due	44.26	81.41	46.57	74.58	58.07	76.59
Overdue						
Not over 3 months	8.24	15.16	15.23	24.39	15.94	21.02
3 - 6 months	1.87	3.44	0.32	0.51	0.62	0.82
6 - 12 months	-	-	0.11	0.18	0.79	1.04
More than 12 months	-	-	0.21	0.34	0.40	0.53
Total account receivables	54.37	100.00	62.44	100.00	75.82	100.00
Deduction: allowance for doubtful accounts	(0.20)		(1.83)		(0.91)	
Account receivables - Net	54.17		60.61		74.91	

From the above table, it is evident that most of account receivables of the Company was not due and overdue not over 3 months. At the end of 2019 - 2021, the Company had the receivables who were not overdue accounted to 81.41%, 74.58% and 76.59% respectively of the total account receivables before the deduction of allowance for doubtful accounts and the receivables who were overdue not over 3 months accounted to 15.16%, 24.39% and 21.02% respectively of the total account receivables before the deduction of allowance for doubtful accounts. Most of receivables who were overdue not over 3 months because the Company could not collect the money as during the waiting for the period of billing and payment of the customers. Moreover, the receivables overdue for more than 3 months accounted for 3.44%, 1.03% and 2.39% of total trade accounts receivable before allowance for doubtful accounts at the end of 2019 - 2021 which are the receivables during the negotiations and track for settle outstanding debts. So that, from 2019 - 2021, the Company amortized bad debts for receivables owed more than 1 year as the amount of 0.36 million baht and 0.20 million baht and in 2020. In 2021, the Company had no amortization of bad debts. The provision for the total allowance for doubtful debts was in accordance with the Financial Reporting Standard No.9 on Financial Instruments.

For policy to reserve allowances for doubtful accounts, the Company has considered from the experience of collecting debts and the age of outstanding debt of each receivable by considering setting up 50% allowances for doubtful accounts for the account receivables who are over 6 months and will consider setting up allowance for doubtful accounts of 50% for the remaining amount if the receivables are owed more than 12 months. From 2019 - 2021, the Company has set the allowance for doubtful accounts in the amount of 0.20 million baht, 1.83 million baht and 1.39 million baht, respectively.

Prepaid service cost

Prepaid service cost is the cost of Subscription Service that the Company shall pay to the product owners and is pending amortization of the period of the service contract which is mostly a one-year contract. As of the end of 2019 - 2021, the Company had the prepaid service cost of 64.59 million baht and 72.55 million baht and 103.69 million baht respectively accounted to 10.50%, 10.98% and 14.15% of total assets, respectively. Prepaid service costs will be increased according to the number of Subscription Service contracts under service.

Inventor

	As of 31 Dec 2019		As of 31 Dec 2020		As of 31 Dec 2021	
	Million baht	%	Million baht	%	Million baht	%
Finished goods	11.05	42.53	10.90	29.07	16.39	31.73
Spare parts and consumables	10.45	40.22	18.59	49.59	22.22	43.07
Raw materials	1.50	5.77	1.59	4.24	1.42	2.75
Work in Process	0.10	0.38	0.68	1.82	1.16	2.25
Goods in transit	2.88	11.09	5.73	15.28	10.42	20.19
Total inventories	25.98	100.00	37.49	100.00	51.59	100.00
Deduction: allowance for inventory impairment	(2.45)	(9.43)	(3.71)	(9.90)	(4.75)	(9.21)
Inventories - net	23.53		33.78		46.84	

Inventories of the Company include finished goods which mostly are the software, machinery and equipment pending to be installed and delivered to customers. The Company has no software stocking policy because the purchase of software from the product owner has a short Lead Time. In the 3D printer section, which is directly appointed as a dealer from the product owner, the Company will only order and import from overseas manufacturers when receiving orders from customers only. Therefore, the Company has only the remaining items in the spare parts and consumables with the allowance for decline in value of inventory that is reserved to serve customers who purchase 3D printers with the order every month based on the minimum stock as defined.

As of the end of 2019 - 2021, the Company had inventories before deducting allowance for decline in value of inventory of 25.98 million baht, 37.49 million baht and 51.59 million baht, respectively. As of the end of 2021, the inventories significantly increased from the previous year because the Company had 3D design products, which are high-value machines waiting to be delivered to government and educational institution customers. In addition, the Company ordered and paid a deposit on 3D design products (hardware) as of the end of 2020 to effectively manage distribution costs and deliver them to customers in the following year.

In addition, the Company has the policy to consider the settle of allowance for decline in value of inventory of spare parts and consumables based on the useful life of each product category. As of the end of 2019 - 2021, the

Company had inventory of spare parts and consumables as the amount of 10.45 million baht, 18.59 million baht and 22.22 million baht, respectively. As a result, in 2019, the Company had the allowance for decline in value of inventory as the amount of 2.45 million baht accounted to 9.43% of the total value of inventories. In 2020, the Company had the allowance for decline in value of inventory as the amount of 3.71 million baht accounted to 9.90% of the total value of inventories. Therefore, the Company had the increase in the allowance for decline in value of inventory by 4.75 million baht, resulting from the slow moving of parts and consumables.

In 2021, the Company increased the allowance for decline in value of inventory by 1.04 million baht which affected the amount of allowance for decline in value of inventory at the end of 2021 as 4.75 million baht accounted to 9.21% of the total value of inventories. As a result, as of the end of 2021, the allowance for decline in value of inventory increased at the similar rate to the previous year due to slow-moving spare parts and supplies. In addition, the Company increased its online distribution channels and E-Market system, resulting in additional stock to meet the needs of customers. As a result, there has been an increase in the allowance for decline in value of inventory.

Property, plant and equipment

The Company had the net value of property, plant and equipment of 89.64 million baht as at the end of 2019, 92.44 million baht as at the end of 2020 and 100.80 million baht as the end of 2021, accounted to 14.56%, 14.03% and

13.75% respectively of the total assets.

At the end of 2019, the Company invested in machine for manufacturing service of parts and equipment for the demonstration to customers as the amount of 14.30 million baht and invested in renovation of building and buying of office equipment as the amount of 15.39 million baht, while the amortization of office equipment and equipment had the net book value of 9.00 million baht and the depreciation was 12.27 million baht.

In 2021, the Company had the net value of property, plant and equipment of 100.80 million baht by investing in machinery for production of workpieces and equipment used in the demonstration as 8.68 million baht, investment in the building renovation and purchase of office equipment as 8.41 million baht, while the amortization of office equipment and equipment had the net book value of 7.70 million baht and the depreciation was 13.67 million baht.

4.3.2 Liquidity

Cash Flow

(unit : million baht)	2019	2020	2021
Net cash from (used in) operating activities	86.38	60.09	80.13
Net cash from (used in) investing activities	(26.59)	(19.72)	(36.44)
Net cash from (used in) financing activities	178.35	(31.46)	(45.52)
Cash and cash equivalents increase (decrease) in net	238.59	8.67	(1.51)

The Company had the net cash flow from the operation activities as the amount of 86.38 million baht in 2019 with pre-tax profit of 72.20 million baht and the decrease in inventories as 12.66 million baht, account receivables and other current receivables increased 25.27 million baht. Meanwhile the Company had account receivables and other current receivables increased 25.83 million baht. From 2019 - 2020, the Company had pre-tax profit of 72.20 million baht and 57.70 million baht, respectively and the decrease in inventories as 2.11 million baht in 2019 and the increase in inventories as 11.49 million baht in 2020.

In 2020, the Company had the trade and other current payables decreased by 5.71 million baht and increased by 16.96 million baht as the Company ordered and paid the deposits on 3D design products (hardware) at the end of 2020 to manage distribution costs efficiently and deliver them to customers in 2021. While there was the increase in trade and other receivables of 4.57 million baht and 15.21 million baht, resulting in the cash from operation activities of the Company of 86.38 million baht in 2019 and 60.09 million baht in 2020.

In 2019, the Company had the cash flow used in operation activities as the amount of 86.38 million baht, account receivables and other current receivables decreased by 5.71 million baht. Meanwhile the Company had account receivables and other current receivables increased 4.57 million baht and the decrease in inventories as 2.11 million baht, as well as the investment in property, plant, equipment and intangible assets as the amount of 31.05 million baht. Meanwhile, the Company had cash received from the asset disposal of 3.80 million baht.

In addition, the Company also had cash received from repayment of loan to related parties of 3.17 million baht and interest of 2.46 million baht. In 2019, the Company had the net cash flow used in financing activities as the amount of 38.78 million baht, the cash received from payment for new ordinary shares as the amount of 46.80 million baht while the repayment of long-term loan from financial institution and finance lease with interest were 18.55 million baht and the dividend payment of 67.02 million baht. Therefore, the Company had cash flow used in financing activities as the amount of 38.77 million baht. Consequently, the cash flow used in investing activities amounted to 26.59 billion baht, with net cash used in financing activities amounted to 8.38 million baht due to the repayment of loan and related interest of 0.74 million baht and paid the dividend of 24.84 million baht and the IPO of 40 million baht to the public.

In 2020, the Company had the net cash from operating activities as the amount of 60.09 million baht with the pre-tax profit of 57.70 million baht, the increase in trade payables and other current payables of 16.96 million baht and the inventory increased as the amount of 11.49 million baht because the Company has ordered and paid a deposit on 3D design products (hardware) at the end of 2020 to effectively manage distribution costs and deliver them to customers in the following year. Moreover, the Company has invested in plant and equipment as the amount of 17.09 million baht and intangible assets during development increased as the amount of 3.59 million baht. The Company has paid the liabilities under financial leases of 3.12 million baht and the interest payments on short-term loans for the Company's turnover of 0.34 million baht. The interim dividend payment from net profit for the year ended 31 December 2019 as the amount of 28 million baht.

In 2021, the net cash flow from operating activities amounted to 80.13 million baht, which was caused by the selling large-format printers and 3D products and extending the time for receiving debt payments. The amount of 41.44 million baht was spent in purchase of products in printing and 3D products, and trade payables and other current payables increased by 48.63 million baht, with a provision for service income increased by 5.74 million baht, with transfers for improvements and payment of income tax of 17.61 million baht. Cash spent in investing activities of 36.44 million baht, invested in purchasing machinery and equipment 13.50 million baht, invested in vehicles 2.08 million baht, and invested in platform development to serve customers and intangible assets during the development of ERP systems amounted to 12.32 million baht with net cash flow used in financing activities 45.52 million baht. Dividend paid from the Company's net profit for the year ended 31 December 2020, amounting to 42 million baht at the rate of 0.15 baht per share, resulting in a decrease in net cash flow as of 31 December 2021 by 1.51 million baht.

Current Ratio

The Company's current ratio from 2019 - 2021 was 1.99 times, 2.11 times and 1.95 times, respectively, and a quick ratio of 1.64 times, 1.55 times and 1.49 times, respectively. The current ratio to the quick ratio varied since the Company had the proportion of the cost of inventories and prepaid services cost to the current assets accounted for 30.67 %, 17.34 % and 19.64%.

From 2019 - 2021, the Company had cash cycle of 21.24 days and 22.28 days due to the average collection period increased to 31.09 days and 32.45 days and while the average repayment period was 35.46 days and 43.97 days.

In 2021, the Company had cash cycle of 22.41 days, the average debt collection period of 31.72 days, the average sales period of 36.20 days and the average repayment period of 45.51 days.

	2019	2020	2021
Current ratio (times)	1.99	1.94	1.95
Quick ratio (times)	1.64	1.55	1.49
Average collection period (days)	31.09	32.26	31.72
Average sales period (days)	25.61	33.80	36.20
Average repayment period (days)	35.46	43.97	45.51
Cash Cycle (days)	21.24	22.09	22.41

3. Sources of funding

Liabilities

As at the end of 2019 - 2021, the Company had total liabilities of 292.02 million baht, 320.28 million baht and 375.71 million baht, respectively. Liabilities mainly were from accounts payable and other payables and unearned revenue which is liabilities arising from business operations. The Company had account payables and other current payables of 78.57 million baht as at the end of 2019, 91.82 million baht as at the end of 2020 and 121.13 million baht at the end of 2021, while unearned income arising from Subscription Service that will be recognized the revenue during contract of 175.42 million baht as at the end of 2019, 151.54 million baht as at the end of 2020 and 176.70 million baht at the end of 2021.

In this regard, if considering the liabilities from financial institutions including loans from financial institutions and financial lease liabilities, in 2019, the Company had no liabilities from financial institutions for both loans from financial institutions and financial lease liabilities. In 2020, the Company had short-term loans for use as working capital of the business and no liabilities from financial institutions, as well as no financial lease liabilities by gradually paying according to the terms of the contract as 3.12 million baht and interest of 0.34 million baht. The interim dividend payment from net profit for the year ended 31 December 2019 as the amount of 28 million baht.

Shareholder

For shareholders as at the end of 2018 amounted to 92.86 million baht, increased from as at the end of 2017 amounted to 53.95 million baht due to the Company's capital increase of 46.80 million baht. As a result, the Company had issued and paid-up capital increased from 36.00 million baht to 82.80 million baht by issuing 468,000 new issued ordinary shares with a par value of 100 baht, as well as cumulative profit increased from operating results in 2018 of 75.24 million baht and paid dividend of 67.02 million baht. The Company has paid the interim dividend payment from the net profit of the Company's as at the end of 31 December 2019 as the amount of 28 million baht. For the shareholders' equity was 323.43 million baht or 52.55% from the proportion of total assets. Shareholders' equity as of 31 December 2020, the Company had shareholders' equity of 340.16 million baht, increased as the amount of 16.73 million baht or 51.50% from the total assets. Shareholders' equity has increased from the net profit of the parent company of 44.99 million baht. As of 31 December 2021, shareholders' equity was equal to 357.21 million baht, an increase of 17.05 million baht, representing a proportion of total assets which equal to 48.74%

Appropriateness of the capital structure

The Company had a debt-to-equity ratio of 0.90 times as at the end of 2019, 0.94 times as at the end of 2020 and 1.05 times at the end of 2021 since most of the Company's liabilities were operating liabilities such as account payables and liabilities arising from contracts – current. As of the end of 2019 - 2021, the Company had no debt with interest because the debt-to-equity ratio has continued to decline as the increase in equity as described in the equity section.

4.2 Important financial information

4.2.1 The summary of Independent Auditor's Report

(a) The Financial Statement of 2019 has been audited by Mr. Jadesada Hungsapruek as certified public accountant No. 3759 from Karin Audit Company Limited.

The auditor has audited the financial statements of Applicad Public Company Limited and its subsidiaries which comprise the consolidated and separate statements of financial position as at 31 December 2019, and the consolidated and separate statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies. The auditor has provided the opinion that the consolidated and separate financial statements referred to above present fairly, in all material respects, the financial position as at 31 December 2019, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

(b) The Financial Statement of 2020 has been audited by Mrs. Sumana Senivongse as certified public accountant No. 5897 from Karin Audit Company Limited.

The auditor has audited the financial statements of Applicad Public Company Limited and its subsidiaries which comprise the consolidated and separate statements of financial position as at 31 December 2020, and the consolidated and separate statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies. The auditor has provided the opinion that the consolidated and separate financial statements referred to above present fairly, in all material respects, the financial position as at 31 December 2020, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

(c) The Financial Statement of 2021 has been audited by Mr. Komin Linprachaya as certified public accountant No. 3675 from Karin Audit Company Limited.

The auditor has audited the financial statements of Applicad Public Company Limited and its subsidiaries which comprise the consolidated and separate statements of financial position as at 31 December 2021, and the consolidated and separate statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies. The auditor has provided the opinion that the consolidated and separate financial statements referred to above present fairly, in all material respects, the financial position as at 31 December 2021, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

4.2.2 Summary of financial position and performance

1. Separate financial statements

Financial Position	Separate financial statements					
	31 Dec 2019		31 Dec 2020		31 Dec 2021	
	Million baht	%	Million baht	%	Million baht	%
<u>ASSETS</u>						
<i>Current assets</i>						
Cash and cash equivalents	340.57	56.75	349.98	54.23	346.68	48.58
Trade and current receivable	58.17	9.69	63.86	9.90	74.34	10.42
Other receivables-prepaid service costs	63.32	10.55	58.45	9.06	85.64	12.00
Short-term loans	12.87	2.15	15.43	2.39	23.29	3.26
Inventories	20.48	3.41	29.02	4.50	40.97	5.74
Other finance current assets	-	-	-	-	1.00	0.14
Other current assets	0.26	0.04	0.66	0.10	0.69	0.10
Total current assets	495.68	82.59	517.40	80.18	572.61	80.24
<i>Non-current assets</i>						
Investments in subsidiaries	6.12	1.02	6.12	0.95	2.86	0.40
Other receivables-prepaid service costs	-	-	13.02	2.02	16.51	2.31
Property, plant and equipment	78.04	13.00	81.70	12.66	90.02	12.62
Right of use assets	-	-	1.81	0.28	1.80	0.25
Intangible assets	2.53	0.42	5.31	0.82	16.81	2.36
Deferred tax assets	17.34	2.89	19.42	3.01	12.58	1.76
Other non-current assets	0.44	0.07	0.54	0.08	0.42	0.06
Total non-current assets	104.47	17.41	127.92	19.82	141.00	19.76
Total assets	600.15	100.00	645.32	100.00	713.61	100.00
<u>Liabilities and shareholders' equity</u>						
<i>Current liabilities</i>						
Accounts Payable and Current Payable	71.06	11.84	82.99	12.86	110.66	15.51
Liabilities arising from contracts - current	172.06	28.67	147.87	22.91	167.12	23.42
Lease liabilities due within one year	-	-	1.46	0.23	1.09	0.15
Accrued income tax	1.02	0.17	3.86	0.60	2.77	0.39
Current provisions for employee benefits	0.31	0.05	1.58	0.24	1.24	0.17
Total current liabilities	244.44	40.73	237.76	36.84	282.88	39.64

<i>Non-current liabilities</i>						
Lease liabilities	-	-	0.40	0.06	0.78	0.11
Liabilities arising from contracts - non-current	-	-	27.48	4.26	29.15	4.09
Non-current provisions for employee benefits	31.11	5.18	33.09	5.13	36.97	5.18
Total non-current liabilities	31.11	5.18	60.97	9.45	66.90	9.38
Total liabilities	275.55	45.91	298.73	46.29	349.78	49.02

Statement of comprehensive income	Separate financial statements					
	31 Dec 2019		31 Dec 2020		31 Dec 20201	
	Million baht	%	Million baht	%	Million baht	%
<u>Shareholders' equity</u>						
Share capital						
Registered capital	140.00	23.33	140.00	22.74	140.00	20.56
Surplus (low) value of ordinary shares	146.73	24.45	146.73	22.74	146.73	20.56
Issued and paid share capital	140.00	23.33	140.00	21.69	140.00	19.62
Retained earnings						
Appropriated-Legal reserve	8.44	1.41	10.94	1.70	14.00	1.96
Unappropriated	29.43	4.90	48.92	7.58	63.10	8.84
Total shareholders' equity	324.59	54.09	346.59	53.71	363.83	50.98
Total liabilities and shareholders' equity	600.15	100.00	645.32	100.00	713.61	100.00

Financial Position	Separate financial statements					
	31 Dec 2019		31 Dec 2020		31 Dec 2021	
	Million baht	%	Million baht	%	Million baht	%
<u>Revenue</u>						
Revenue from sales	406.27	60.95	340.39	56.64	417.67	58.12
Revenue from service	250.82	37.63	246.60	41.04	283.54	39.45
Other revenues	9.46	1.42	13.96	2.32	17.44	2.43
Total revenue	666.55	100.00	600.95	100.00	718.65	100.00
<u>Cost and Expense</u>						
Cost of sales	242.95	36.45	194.55	32.37	264.21	36.77
Cost of service	108.86	16.33	109.88	18.29	127.94	17.80
Cost of distribution	156.80	23.52	149.52	24.88	155.06	21.58
Administrative expense	90.30	13.55	84.79	14.11	88.04	12.25
Total expense	598.91	89.85	538.74	89.65	635.25	88.40
Profit (Loss) before financing expenses and income taxes	67.63	10.15	62.21	10.35	83.40	11.60

Financial cost	-0.01	-0.00	-0.19	-0.03	-0.18	-0.02
Profit (loss) before income tax	67.63	10.15	62.02	10.32	83.22	11.58
Income tax	-14.68	-2.20	-12.02	-2.00	-23.99	-3.34
Net profit (loss)	52.94	7.94	50.00	8.32	59.23	8.24
<u>Other comprehensive income</u>						
Profit (loss) on revaluation of employee benefits	-	-	-	-	-	-
Exchange rate difference	-	-	-	-	-	-
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income	47.08	7.06	50.00	8.32	59.23	8.24
Earnings per share (Fully Diluted) (baht)	0.19		0.18		0.21	
Earnings per share (Weighted Average) (baht)	0.26		0.18		0.21	
Par value (baht)	0.50		0.50		0.50	

Cash flow statement (Unit: million baht)	Separate financial statements		
	2019	2020	2021
<u>Cash flows from operating activities</u>			
Profit (loss) before income tax for the year	67.63	62.02	83.22
<i>Adjustment of profit (loss) on cash received (paid)</i>			
Financial cost	0.01	0.19	0.18
Trade and other current receivables	(6.42)	(19.07)	(35.09)
Inventories	-	-	(3.49)
Other assets	2.12	(9.83)	(12.67)
Trade and other current account payables	(1.78)	(0.50)	(0.21)
Other liabilities	(7.72)	15.31	47.09
Accounts payable from other operations	-	-	1.68
Depreciation, Depletion and Amortization	10.07	13.34	15.14
Loss on value adjustments (reversal)	0.86	-	3.27
Impairment loss recognized in profit	-	1.29	0.72
Provision liabilities (Reverse)	7.87	3.96	4.25
Unrealized Loss (Gain) on exchange rate	0.05	0.01	(0.17)
Bad debts and allowance for doubtful accounts (Reverse)	1.86	1.87	(5.30)
Loss from product revaluation (Reverse)	(1.29)	(1.06)	(0.66)
Loss (Gain) from sales of non-current assets	(0.43)	(0.08)	(1.29)
Cash generated from investments or loans	-	-	0.03
Net cash flows derived from (used in) operating activities	72.83	67.45	96.70
Interest expense	-	-	0.66
Income tax paid out	(1.41)	(11.26)	(18.24)
Cash received (paid) from other activities - Provision for employee benefits	(0.24)	(0.72)	(0.70)

Net cash provided from (used in) operating activities	71.17	55.47	78.42
<u>Cash flows from investing activities</u>			
Cash received from sales of subsidiaries	0.43	-	-
Cash received from sale of property, plant and equipment	3.49	1.37	0.69
Cash paid for purchase of property, plant and equipment	(22.70)	(14.65)	(21.11)
Cash received from sales of intangible assets	0.02	-	-
Cash paid for purchase of intangible assets	(1.35)	(3.56)	(12.26)
Advance payments and loans to other persons or related parties	(3.07)	(5.00)	(7.34)
Cash received from advance payment and loans to other persons or related parties	2.49	5.12	3.45
Interest income	0.63	0.83	0.08
Loss from impairment of investments in subsidiaries	-	-	(1.00)
Net cash flows provided from (used in) investing activities	(20.06)	(15.89)	(37.49)
<u>Cash flows from financing activities</u>			
Cash received from issue of ordinary share	203.93	-	-
Cash received from loans	(0.73)	-	-
Cash paid for repayment finance lease payable	-	(2.17)	(2.23)
Dividend	(24.84)	(28.00)	(42.00)
Net cash flows provided from (used in) financing activities	178.35	(30.17)	(44.23)
Cash and cash equivalents increase (decrease) - net	229.46	9.41	(3.30)
Cash and cash equivalents - beginning balance	111.11	340.57	349.98
Cash and cash equivalents - ending balance	340.57	349.98	346.68

2. Consolidate financial statements

Financial Position	Consolidated financial statements					
	31 Dec 2019		31 Dec 2020		31 Dec 2021	
	Million baht	%	Million baht	%	Million baht	%
<u>ASSETS</u>						
<i>Current assets</i>						
Cash and cash equivalents	353.67	57.47	362.33	54.86	360.82	49.23
Cash and cash equivalents	65.98	10.72	69.69	10.55	84.22	11.49
Trade and current receivable	64.59	10.50	59.94	9.08	87.28	11.91
Other receivables-prepaid service costs	23.54	3.83	33.78	5.11	46.84	6.39
Short-term loans	-	-	2.00	0.30	1.21	0.16
Income tax assets of the current period	-	-	-	-	1.00	0.14
Other current assets	0.29	0.05	0.73	0.11	0.70	0.10
Total current assets	508.07	82.55	528.47	80.01	582.07	79.42

<i>Non-current assets</i>						
Assets arising from contracts - non-current	-	-	13.02	1.97	17.07	2.33
Property, plant and equipment	89.64	14.56	92.64	14.03	100.80	13.75
Right of use assets	-	-	3.61	0.55	3.61	0.49
Intangible assets	2.56	0.42	5.34	0.81	16.84	2.30
Deferred tax assets	14.22	2.31	16.29	2.47	11.50	1.57
Other non-current assets	0.95	0.15	1.07	0.16	1.03	0.14
Total non-current assets	107.38	17.45	131.97	19.99	150.85	20.58
Total assets	615.45	100.00	660.44	100.00	732.92	100.00
<u>Liabilities and shareholders' equity</u>						
<i>Current liabilities</i>						
Trade and current payables	78.57	12.77	91.82	13.90	121.13	16.53
Other payables-unearned revenues	175.42	28.50	151.54	22.95	170.70	23.29
Lease liabilities due within one year	-	-	2.07	0.31	2.29	0.31
Income tax payable	1.02	0.17	3.86	0.58	3.48	0.47
Current provisions for employee benefits	0.35	0.06	1.76	0.27	1.45	0.20
Total current liabilities	255.36	41.49	251.05	38.01	299.05	40.80
<i>Non-current liabilities</i>						
Long-term loans from financial institutions	-	-	1.64	0.25	1.48	0.20
Lease liabilities	-	-	27.48	4.16	29.73	4.06
Non-current provisions for employee benefits	36.45	5.92	39.90	6.04	45.24	6.17
Decommissioning funds obligations	0.22	0.04	0.21	0.03	0.21	0.03
Total non-current liabilities	36.67	5.96	69.23	10.48	76.66	10.46
Total liabilities	292.02	47.45	320.28	48.49	375.71	51.26

Financial Position	Consolidated financial statements					
	31 Dec 2019		31 Dec 2020		31 Dec 2021	
	Million baht	%	Million baht	%	Million baht	%
<u>Shareholders' equity</u>						
Share capital						
Registered capital	140.00	22.75	140.00	21.20	140.00	19.10
Issued and paid-up capital	140.00	22.75	140.00	21.20	140.00	19.10
Surplus (low) value of ordinary shares	146.73	23.84	146.73	22.22	146.73	20.02
Surplus (low) from business combinations under common control	0.96	0.16	0.95	0.14	0.95	0.13
Retained earnings			10.94	1.66	14.00	1.91
Appropriated-Legal reserve	8.44	1.37	40.37	6.11	53.77	7.34
Unappropriated	25.87	4.20				
Other components of equity	1.94	0.32	1.69	0.26	2.01	0.27
Total equity of the parent company	323.93	52.63	340.68	51.59	357.46	48.77
Non-controlling interests	-0.50	-0.08	-0.52	-0.08	-0.25	-0.03
Total shareholders' equity	323.43	52.55	340.16	51.51	357.21	48.74
Total liabilities and shareholders' equity	615.45	100.00	660.44	100.00	732.92	100.00

Statement of comprehensive income	Consolidated financial statements					
	2019		2020		2021	
	Million baht	%	Million baht	%	Million baht	%
<u>Revenue</u>						
Revenue from sales	441.68	60.09	365.43	55.53	460.15	57.60
Revenue from service	285.30	38.82	282.56	42.93	324.46	40.61
Other revenues	7.99	1.09	10.13	1.54	14.30	1.79
Total revenue	734.97	100.00	658.12	100.00	798.91	100.00
<u>Cost and Expense</u>			-	-		
Cost of sales	259.34	35.29	206.34	31.35	288.99	36.17
Cost of service	120.96	16.46	131.72	20.02	153.88	19.26
Cost of distribution	176.31	23.99	162.47	24.69	173.86	21.76
Administrative expense	106.16	14.44	100.18	15.22	100.31	12.56
Total expense	662.77	90.18	600.71	91.28	717.04	89.75
Profit (Loss) before financing expenses and income taxes	72.21	9.82	57.41	8.72	81.87	10.25
Financial cost	-0.01	-0.00	-0.34	-0.05	-0.33	-0.04
Profit (loss) before income tax	72.20	9.82	57.07	8.67	81.54	10.21
Income tax	-14.58	-1.98	-12.09	-1.84	-22.81	-2.86
Net profit (loss)	57.63	7.84	44.98	6.83	58.73	7.35

<u>Other comprehensive income</u>						
Exchange rate variance from the conversion of the financial statement	0.22	0.03	-0.25	-0.03	0.32	0.04
Profit (loss) on revaluation of defined employee benefits	-6.59	-0.90	-	-	-	-
Total comprehensive income	51.25	6.97	44.73	6.80	59.05	7.39
<u>Profit sharing</u>						
Portion of the parent company	57.48		45.00		58.46	
Non-controlling interests	0.14		-0.02		0.27	
Total	57.63		44.98		58.73	
<u>Total comprehensive income sharing</u>						
Portion of the parent company	51.11		44.74		58.78	
Non-controlling interests	0.14		-0.02		0.27	
Total	51.25		44.73		59.05	
Earnings per share (Fully Diluted) (baht)	0.21		0.16		0.21	
Earnings per share (Weighted Average) (baht)	0.28		0.16		0.21	
Par value (baht)	0.50		0.50		0.50	

Cash flow statement (Unit: million baht)	Consolidated financial statements		
	2019	2020	2021
<u>Cash flows from operating activities</u>			
Profit (loss) before income tax	72.20	57.07	81.53
<i>Adjustment of profit (loss) on cash received (paid)</i>			
Financial cost	0.01	0.34	0.33
Trade and other current receivables	(4.57)	(15.89)	(41.43)
Accounts receivable from other operations	-	-	(4.05)
Inventories	2.11	(11.49)	(14.10)
Other assets	2.21	(0.67)	0.20
Trade and other current account payables	(5.71)	16.96	48.63
Accounts payable from other operations	-	-	2.25
Depreciation, Depletion and Amortization	12.91	17.71	19.52
Loss on revaluation of goods (reversal)	0.88	1.26	1.04
Provisions (reversal)	9.15	5.54	5.74
Unrealized loss (gain) on exchange rates	0.05	0.01	(0.16)
Bad debt and doubtful accounts (reversal)	(0.12)	1.62	(0.44)
Disposal of non-current assets - Property, plant and equipment	(0.95)	(0.38)	(0.66)
Disposal of non-current assets - intangible assets	0.40	-	-
Cash generated from investments or borrowing	(0.02)	(0.09)	(0.66)
Write off property	-	-	0.03

Net cash flows provided from (used in) operating activities	88.57	71.99	97.77
Interest received			0.66
Income tax refundable (paid out)	(1.95)	(11.18)	(17.60)
Other cash received (paid) from operating activities - Cash paid for employee benefits	(0.24)	(0.72)	(0.70)
Net cash provided from (used in) operating activities	86.38	60.09	80.13
<u>Cash flows from investing activities</u>			
Cash received from sale of property, plant and equipment	3.78	0.70	0.69
Cash paid for purchase of property, plant and equipment	(29.69)	(17.09)	(23.81)
Cash received from sales of intangible assets	0.02	-	-
Cash paid for purchase of intangible assets	(1.35)	(3.59)	(12.32)
Interest income	0.65	0.27	-
Financial assets		-	(1.00)
Net cash flows provided from (used in) investing activities	(26.59)	(19.71)	(36.44)
<u>Cash flows from financing activities</u>			
Cash received from issue of ordinary share	203.93	-	-
Cash paid for repayment finance lease payable	(0.74)	(3.46)	(3.52)
Dividend	(24.84)	(28.00)	(42.00)
Net cash flows provided from (used in) financing activities	178.35	(31.46)	(45.52)
Impact of exchange rates on cash and cash equivalents	0.46	(0.25)	0.32
Cash and cash equivalents increase (decrease) - net	238.59	8.67	(1.51)
Cash and cash equivalents - beginning balance	115.08	353.67	362.33
Cash and cash equivalents - ending balance	353.67	362.34	360.82

4.2.3 Summary table of important financial ratios from the consolidated financial statements

Financial ratios	2019	2020	2021
<u>Liquidity Ratio</u>			
Liquidity ratio (time)	1.99	2.11	1.95
Quick ratio (time)	1.64	1.72	1.49
Cash flow current ratio (time)	0.33	0.24	0.29
Receivable current ratio (time)	11.58	11.09	11.35
Average debt collection period (day)	31.09	32.45	31.72
Inventory turnover period (time)	14.06	10.65	9.94
Average selling period (day)	25.61	33.80	36.20
Payable current ratio (time)	10.15	8.19	7.91
Loan repayment period (day)	35.46	43.97	45.51
Cash Cycle (day)	21.24	22.28	22.41
<u>Profitability Ratios</u>			
Gross profit margin - selling (%)	41.28	43.54	37.20
Gross profit margin - service (%)	57.60	53.38	52.57
Gross profit margin (%)	47.69	47.83	43.56
Operating profit margin (%)	8.83	7.30	8.61
Other profit margin (%)	1.09	1.54	1.79
Cash to profit margin (%)	134.52	127.09	118.58
Net profit margin (%)	7.84	6.83	7.35
Return on equity (%)	27.58	13.54	16.75
<u>Efficiency Ratios</u>			
Return on assets (%)	11.58	7.05	8.43
Return on fixed assets (%)	84.64	64.35	76.71
Asset turnover (time)	1.48	1.03	1.15
<u>Financial Policy Ratios</u>			
Debt to equity ratio (time)	0.90	0.94	1.05
Interest bearing debt to equity ratio (time)	-	-	-
Interest coverage ratio (time)	12,619.71	210.14	297.11
Debt-service coverage ratio (time)	3.38	1.93	1.76
Dividend payout ratio (%)	0.10	0.15	0.20

5. General and other Important Information

5.1 General Information, Name, Location, Telephone Number, Fax and Other References

1 Issuing Company

Company name :	AppliCAD Public Company Limited
Business type :	Distribution of the complete design solutions for Mechanical and Engineering software, Architectural Engineering and Construction software, 3D Printing Technology; 3D Printer and 3D Scanner as well as other related services
Head office :	69, Sukhumvit 68, Sukhumvit Road., Bangna Nuea, Bangna, Bangkok 10260
Company registration number :	0107561000471
Tel :	0-2744-9045
Fax :	0-2744-9049
Website :	www.applcadthai.com

2 Securities Registrar

Company name :	Thailand Securities Depository Company Limited
Head office :	93 Ratchadapisek Road, Din Daeng, Din Daeng, Bangkok, 10400
Tel :	0-2900-9000
Fax :	0-2900-9991
Website :	www.set.or.th/tsd

3 Auditor

Company name :	Karin Audit Company Limited
Head office :	72 CAT Telecom Tower, Floor24, Charoen Krung Road, Bangrak, Bangkok. 10500
Fax :	0-2105-4661
Website :	www.karinaudit.co.th

4 Internal Auditor

Company name :	P&L Internal Audit Company Limited
Head office :	281/157 The Fifth Avenue, B Building, 2nd floor, Bangkok - Nonthaburi Road, BangKhen, Muang, Nonthaburi, 11000
Fax :	0-2526-6100
Website :	www.plcorporation.com

5.2 Legal dispute

As of 31 December 2021, the Company and its subsidiaries are not the litigant or party in the following case;

1. Cases may have a negative impact on the assets of the Company and its subsidiaries with higher than 5% of shareholders' equity as at 31 December 2021.
2. Cases may have a negative impact on the operation of the Company and its subsidiaries significantly that is incalculable.
3. Case does not cause due to the normal business of the Company and its subsidiaries.



| Corporate Governance

6. The Corporate Governance Policy

6.1 Overview of The Corporate Governance Policy and Principles

The Company has recognized the importance of good Corporate Governance Policy that will support the operation of the Company to be more effective and transparent for the competitive in the market and the sustainable growth. This can lead to the confidence of all stakeholders who are involved in the Company's operations with the fair act and always consider the benefits of employees, investors, shareholders and other stakeholders. Therefore, the Company has defined the good Corporate Governance Policy complying with the Corporate Governance Policy and Principles for the listed company of 2017 made by the Securities and Exchange Commission and the Stock Exchange of Thailand to be the guideline for the organizational management to ensure the Company's operation with fairness and transparency and also consider the benefits of all stakeholders as follows;

Principle 1 : Establish clear leadership role and responsibilities of the Board of Directors as the leader of the organization

In order to make the understating of the roles and responsibilities as the leader of the organization for the Board of Directors, the Company has clearly defined the roles and responsibilities of the Board of Directors apart from the duties and responsibilities defined by the laws mentioned about the authorities and duties in the management of the Company in accordance with the laws, objectives, articles of association and resolutions of the Shareholders' Meeting with the responsibilities, prudence and honesty. The Company has also defined the authorities and responsibilities to the board of Directors to define the vision, mission, policy, direction, goal, strategies, plans, and the Company's annual budget, including the supervision and follow-up of the work in compliance with the laws, policy, plans and defined annual budget as well as evaluation and monitor performance report.

Furthermore, the Company has appointed the sub-committees to assist in supporting, checking and supervising the operation and management in accordance with laws, policy, and plans and defined annual budget, which consists of the Executives Committee, Audit Committee and Risk Management Committee. The Company has clearly defined the scope of authorities and responsibilities of the sub-committees and Risk Management Committee. In addition, the Company has prepared the charter for the Board of Directors and sub-committees and informed the information about that charter to the Board of Directors and sub-committees. Moreover, the Company has planned to annually review that charter in accordance with the direction of the Company.

The Board of Directors has created the business ethics and Corporate Governance Policy to be the guideline in the Corporate Governance practices for ethical business, respect the right and have the responsibility to shareholders

and stakeholders and conduct the business that benefits to the society, environment as well as the ability to adapt to the changing factors.

Principle 2 : Define objectives that promote sustainable value creation

The board of Directors has distinctly defined the obvious and suitable vision and mission of the Company to communicate to all stakeholders to understand the main objective and goal of the Company and to ensure that all employees in the Company adhere to as the main duty in order to achieve the defined objectives and goals.

The Company also has the policy to review and consider the strategic plan and budget every year to ensure that strategic plan and budget are consistent with the economic conditions and organizational potential including promoting the innovation and the application of innovation and technology.

Moreover, the Board of Directors is responsible for the supervision and monitoring of performance in accordance with the strategy and budget including the allocation of significant resources.

Principle 3 : Strengthen the Board of Directors' effectiveness

The Company has a policy to properly establish the Board of Directors' structure in accordance with the Company's business and size and as required by law. The composition of the Board of Directors shall have a proportion between executive Directors and non-executive Directors who reflect appropriately balanced power. The Chairman of the Board of Directors and chief executive officer of the Company shall not be the same person in order to clarify the responsibility between the policy of governance and routine management.

In order to ensure that the Board of Directors has

enough time to perform the duties of the Company, the Company requires each Director will be able to hold positions in other listed companies up to 5 companies and require attending the meetings not less than 75% of the Board of Directors' meeting will be held in that year and to arrange the Board of Directors' meeting at least 4 times a year.

The role of the Board of Directors is to find qualified people with the right knowledge, skills and experience that can serve as the advantage to the business of the Company to propose to the Shareholders' Meeting to consider the appointment of a Director of the Company after being the listed company on the Stock Market of Thailand.

The Company will disclose the information of Directors and executives such as age, education history, experience, stake shareholding, number of years being Director, number of times participating in the meeting, remuneration of the Board of Directors for both monetary and non-monetary, being Director in other listed companies, roles and responsibilities and performance report of the Audit Committee, Executive Committee and Risk Management Committees in the Company's annual report.

In addition, the Company has appointed Corporate Secretary to supervise and advise the Directors and management regarding compliance with laws, regulations, rules and regulations of the Company and also monitor the compliance with the practice correctly and consistently. Moreover, Corporate Secretary is responsible for arranging the Board of Directors' meeting and the Shareholders' Meeting including coordination for the implementation of the resolutions of the conference as well as any other duties as required by law.

To supervise subsidiaries and/or its affiliated, the Company will assign the qualified and experienced Directors or executives to conduct the business to represent the management of the subsidiaries and/or its affiliated to formulate important policies and control the business of such subsidiaries and/or its affiliated. In this regard, the Directors representing the Company shall act in supervising subsidiaries and/or affiliated to manage or perform various operations in accordance with the Company's policies as well as to exercise their discretion in accordance with the resolutions of the Board of Directors and/or shareholders of the Company approved in critical matters of subsidiaries and/or affiliated to maximize the benefit of the Company and to achieve sustainable growth of the Company.

Principle 4 : Recruitment and Development of Senior Executives and Personnel Management

The Company has clearly set up a successor plan for key executive positions including the position of chief executive officer in order to maintain business continuity. The Company will provide the appropriate remuneration as an incentive for the chief executive officer and key executive positions that are critical to the organization to maximize the interests of the Company and shareholders.

The Company has provided knowledge to the Directors and the key executives by allocating to each of them to participate in training organized by various agencies to enhance new knowledge and perspectives as well as to provide executive development projects for the benefit of determining succession plans.

The Board of Directors will provide an evaluation of the duties of the chief executive officer and key executives every year to consider and develop capacity to increase productivity.

Principle 5: Nurture innovation and responsible business

The Board of Directors has focused on creating corporate culture, promoting innovation that contributes to the Company's customers, partners and partners. The development of the quality of the service, human resource development, environmental and social responsibility has always been taken into account by the Company to create a balance between business profits and social returns.

The Board of Directors has focused on the rights of all stakeholders, whether internal stakeholders or external stakeholders in order to create better understanding and cooperation between companies and stakeholders. This will be beneficial to the business and confidence building as well as to enhance the competitiveness of the Company in the long term. Therefore, the Company has established policies and practices as follows;

Shareholders :

The Company is committed to conducting business to maximize the benefit of the Company and its shareholders as a whole with the knowledge and management skills effectively, honestly and fairly to major and minority shareholders by considering the good performance, stable growth and competitiveness

Employees :

The Company has recognized the importance of every employee in the Company which will be involved in driving the Company and developing the further business in the future. The Company has focused on the development of the potential and knowledge and skills of employees and cultivating good attitudes and consciousness as well as considering providing fair, appropriate returns based on the knowledge of each employee's ability and providing adequate welfare.

Customers :

The Company is responsible for the care to customers by focusing on sourcing and producing the quality products to meet customer needs as well as customer confidentiality, knowledge to customers to develop goods and services.

Business partners and creditors :

The Company has fairly, equally and honestly treated business partners and creditors in business operations, not taking advantage and maintains interest with business partners and creditors as well as strictly comply with trade conditions and/or mutually joint contractual agreements to develop business relations that contribute to the benefits of both parties.

Competitor :

The Company has behaved according to the good competition rules and laws set out and to maintain the norms of competitive practices and avoid dishonest ways to destroy competitors.

Community and Society: :

The Company has emphasized on cultivating the awareness to community and society in the Company as well as to support activities that contribute to the public and not to act contrary or illegal.

The Board of Directors will provide a framework for the governance and management of corporate information technology to meet the needs of the Company as well as to ensure that the technology used to increase the chance of business development and operations, risk management for the Company to achieve the objectives and goals of the organization.

Principle 6: Strengthen effective risk management and internal control

The Board of Directors will provide a framework of internal control system that covers all aspects of finance and operation in accordance with the law and to provide sufficient effective monitoring and balancing mechanisms to always protect the Company's assets, provide the process of approval and responsibility of the executives and employees who are monitored and balanced each other and define the procedure in written form. The Company has hired internal auditors from outside. Monitor the operations of all agencies in accordance with the regulations placed as well as assess the efficiency and adequacy of internal control of various agencies in the Company.

The Company has appointed the risk management team to consider and analyze potential risks with the Company and present risk management measures to prevent the impact on the Company's business and supervise risk management in accordance with the risk management policy prescribed.

The Board of Directors has emphasized on anti-corruption by defining a clear policy and communicating with relevant people to acknowledge and follow. The Board of Directors has also established the policy of whistleblowing and complaints as a mechanism for governance for those involved in compliance with the policies established with respect to the corporate governance.

The Company provides has measured to provide whistleblowing or complaints about wrongdoing, ethics and code of conduct or behavior that may be discussed with the corruption of Directors, executives and employees in the organization by providing a wide range of communication channels to enable employees and stakeholders to report complaints or complaints to the Company. The complainant shall provide a detailed notice, including name, address, telephone number, which can be contacted to the receipt channel as required by the Company.

Principle 7 : Ensure disclosure and financial integrity

The Board of Directors has determined to supervise the compliance with laws and regulations relating to the disclosure by the Company will focus on the disclosure of accurate, complete and transparent information of the Company as well as financial information, general information and non-financial information so that all relevant people are aware of the information equally.

The Board of Directors is responsible for the preparation of the Annual Report, Form 56-1, the Company's financial report and financial information that appears in the Annual Report. The preparation of financial reports is prepared in accordance with generally certified accounting standards, choosing the appropriate accounting policies and regular lists, and carefully exercises disinformation in preparation, as well as requiring adequate disclosure of important information in the notes to the financial statements. The Board of Directors assigned the Audit Committee to oversee the quality of financial reports and to comment on the Board of Directors.

In addition, the Board of Directors has placed importance on the financial liquidity of the Company and the company's debt repayment capabilities and report to the Board of Directors on a quarterly basis.

After being the listed company in the Stock Market of Thailand, the Company will publish the information of the Company to shareholders through channels and dissemination media of the Stock Exchange of Thailand and the Company's website and assigned Mr. Sorawat Nakmanee to contact and provide information to shareholders, investors, securities analysts or related entities, as well as any person with accurate, complete and true information.

Principle 8: Ensure engagement and communication with shareholders

The Board of Directors has emphasized on the rights of shareholders without any actions to violate or deprive shareholders' rights except the basic rights of shareholders such as the right to buy, sell or transfer shares they hold, the right to receive a share of profits from the Company, the right to attend the Shareholders' Meeting. The Company has focused on the rights of shareholders to obtain the Company's information properly, complete, adequately and equally in order to make decisions on all matters.

1. The Company shall arrange the Shareholders' Meeting to allow shareholders to consider important matters as required by law or that may affect the Company's business operations.
2. The Company will send the notice of the meeting with the accompanying information to shareholders prior to the meeting according to the meeting at the legal period. The Company will allow shareholders to complete the study of the information prior to the date of the Shareholders' Meeting, as well as the Company will allow shareholders

to submit questions in advance of the meeting, and will set out the criteria to submit questions and publish such guidelines on the Company's website and the Company will gather to bring important questions to inquiries at the meeting.

3. The Company will allow minority shareholders to nominate candidates to nominate as Directors or propose additional agendas before the Shareholders' Meeting which will be assigned as clear guidelines and disclose the criteria to shareholders in advance and will provide reasons not to bring the agenda proposal of shareholders as an agenda of the Company to the Shareholders' Meeting at that time.
4. In case that the shareholders are unable to attend the meeting on their own, the Company will facilitate shareholders who are not able to attend the meeting on their own to be able to proxy at least one individual or appoint at least one independent Director to attend the meeting and vote on behalf of such shareholders by informing the list with the information of such independent Directors in the notice of the Shareholders' Meeting.
5. In case that the Company has foreign shareholders, the Company will make a notice of the meeting with the accompanying information of the entire meeting in English and deliver it to foreign shareholders with the delivery of the Thai version.
6. Add channels to acknowledge shareholder news via the Company's website after the Company is registered as a listed company on the Stock Exchange of Thailand, the Company will continue to publish the notice of the Shareholders' Meeting at least 14 days prior to the date of the meeting so that shareholders can easily and complete the information of the agenda.
7. The Company will facilitate all shareholders equally to attend the meeting in both location and time.
8. At the Shareholders' Meeting, the meeting will be conducted in accordance with the laws and regulations of the Company. It will consider and vote on the agenda set out in the order. It cannot change the matter, or add the agenda unnecessarily and to allow shareholders to have the equal rights in question, leaving a comment and recommendations.
9. The Company will use ballots on important agendas and provide independent parties such as external auditors, legal advisers, as auditors of voting at the meeting.
10. The Company will encourage all Directors and

executives involved to attend the meeting to respond to questions from shareholders simultaneously.

11. Take note of the minutes of the meeting completely, accurately, transparently, and record the list of Directors and executives attending the meeting, how to vote and count votes resolutions of the meeting, the results of the vote, including important questions and comments in the minutes of the meeting so that shareholders can be completed within 14 days from the date of the Shareholders' Meeting. In addition, the Company will provide a video of the meeting to preserve the reference, and after the Company is registered as a listed company on the Stock Exchange of Thailand, the Company will send the minutes of the meeting to the Stock Exchange of Thailand or related entities within the specified time, as well as to bring the minutes of the Shareholders' Meeting published on the Company's website for shareholders to consider.

6.2 Code of Conduct

In order to operate the Company's business in accordance with the principles of good Corporate Governance, the Company has set the Code of Conduct which is a guideline for Directors, executives and employees at all levels as follows;

1. Integrity

Directors, executives and employees must demonstrate honesty, ethics, transparency, including obeying the law and regulations related to business operations, not doing any acts which are corrupt, corrupt, bribery by offering or promising to give money, property, things or benefits Including giving an advantage to others to motivate themselves or others from benefit they should not get, including must strictly adhere to anti-corruption measures.

In addition, Directors, executives or employees must not provide support or participate in any participations that will lead to bribery or various forms of corruption for the benefit of oneself, family, friends and acquaintances.

2. Objectivity

Executives and employees shall act with fairness, honesty, free from prejudice and prejudice, and maintain impartiality in the exercise of discretion in performance.

3. Independence

Directors, executives and employees must be independent in performing their duties and using comments and suggestions regardless of personal and family interests, as well as not being under the influence of a person or any group of people and without any situation that can force them not to comment as they should be.

4. Knowledge and competence

Directors, executives and employees should use the knowledge, abilities, skills and experience necessary to perform their jobs. They should not accept or perform work in which they do not have the knowledge and competence unless they have been advised or supported to have sufficient knowledge and competence in performing their work.

5. Confidentiality

Directors, executives and employees should keep the information they receive in their operations. And should not disclose information without the permission of authorized persons Except in the case of legal disclosure and it is forbidden to use confidential information obtained in the performance of duties for personal gain, friends and relatives.

6. Carefulness

Director, executives and employees should act with caution in the use of knowledge., competency, skills, judgment and conduct.

7. Political relevance

The Company is politically neutral without committing to or supporting any political party or anyone with political power, and the Company also respects the right to freedom of political rights of employees, such as voting or being membership of political parties.

Directors, executives and employees should avoid serving as committee of political parties or representing politicians in various activities or be a member of a local government organization and avoid making political opinions in the workplace and in the workplace and at work times that may cause conflicts. It also prohibits the use of company resources to support political activities, either directly or indirectly.

Details of Code of Conduct for stakeholders that Directors, executives and employees are responsible as the following:

1. Code of Conduct on responsibility to the Company

- 1.1 Perform duties responsibly, taking the Company's interests as a priority.
- 1.2 Do not conduct or take any competitive action or may cause competition with the Company's business.
- 1.3 Perform duties with integrity.
- 1.4 Responsible for making the most of the use and preservation of the Company's assets, including not for personal or other benefits other than the Company's business.
- 1.5 Work with the best knowledge and experience to fully benefit the Company.
- 1.6 Strictly follow the rules, regulations and articles of association of the Company.
- 1.7 Avoid exercising their authority or allowing others to rely on their authority, whether directly or indirectly, to exploit oneself or others.
- 1.8 Avoid adoption in a manner that exceeds normal relationships from other persons whose business is related to the Company's work.
- 1.9 Avoid commenting to third parties in matters that may affect the Company's reputation and operations.
- 1.10 Do not use the Company's sensitive information or news for profit or other benefits, directly or indirectly, and maintain the Company's confidentiality by taking care and being careful not to provide confidential documents or news of the Company that should not be disclosed to third parties in strictly accordance with the Company's Data Confidentiality, Policy and Disclosure Policy, which appears in Section 3 of this manual.
- 1.11 Whistleblowing or complaints when seeing clues of illegal acts, ethics or behaviors that indicate corruption or misconduct of people in the organization both from employees and other stakeholders, including incorrect financial reports or the internal control system that is defective for the benefit of the Company in accordance with the complaints of the Company which is strictly shown in Section 5 of this manual.

2. Code of Conduct on responsibility to Shareholders

- 2.1 Perform duties with honesty within the legal framework and regulations of the Company by adhering to this code of conduct in conducting various transactions and in every decision-making activity, in order to operate the business in good faith, transparency and accountability.
- 2.2 Perform duties with full knowledge and capabilities as professional by using knowledge experience in performing their duties fully.
- 2.3 Commit to treating of shareholders' information by protecting confidentiality and maintaining trust as if they are treating their own information.
- 2.4 Disclosure of the Company's information accurately, adequately and timely in accordance with the rules of the Office of the Board of Directors, SEC and The Stock Exchange of Thailand.

3. Code of Conduct on responsibility to employees

- 3.1 Provide fair and suitable compensation and provide adequate welfare in accordance with situation for employees.
- 3.2 Maintain a safe working environment for life and property of its employees.
- 3.3 The appointment, relocation of employees, including awarding and punishing employees, must be done with equality, integrity and based on knowledge, competence and appropriateness.
- 3.4 Give importance to development, knowledge transfer of employees by giving employees thorough and consistent opportunities.
- 3.5 Provide training and seminars regularly to develop knowledge and working skills of employees.
- 3.6 Protect the privacy of employees. Do not disclose personal information such as salary, medical history, family history to third parties.
- 3.7 Listen to opinions and suggestions from employees of all levels equally and equitably. Employees are given opportunities to clarify or complain about wrongdoing, incidents or situations that affect their work or decisions of employees in accordance with the receipt of complaints of the Company in Section 5 of this manual.

4. Code of Conduct on responsibility to customers

- 4.1 Treat customers fairly in terms of products and services.
- 4.2 Disclose product information and services accurately and completely.

- 4.3 Maintain confidential information and customer information
- 4.4 Educate customers to develop products and services.
- 4.5 Provide a channel for customers to complain about products and services in accordance with the complaints of the Company in section 5 of this manual.

5. Code of Conduct on responsibility to business partners

- 5.1 Treat trade partners fairly, fairly and on the basis of fair compensation to both parties.
- 5.2 Strictly comply with the agreed contracts or conditions. In case of inability to comply with the conditions, we will immediately notify the partner to find a solution.

6. Code of Conduct on responsibility for competitors

- 6.1 Practice within the framework of good competition.
- 6.2 Do not seek confidential information of competitors through dishonest or inappropriate means.
- 6.3 Do not damage the reputation of competitors by making malicious accusations.

7. Code of Conduct on responsibility to Trade Creditors

- 7.1 Treat trade creditors equally, fairly and on the basis of fair returns to both parties.
- 7.2 Strictly comply with the agreed contracts or conditions. In case of inability to comply with the conditions, the creditors will be notified immediately to find a solution.

8. Code of Conduct on social responsibility and education

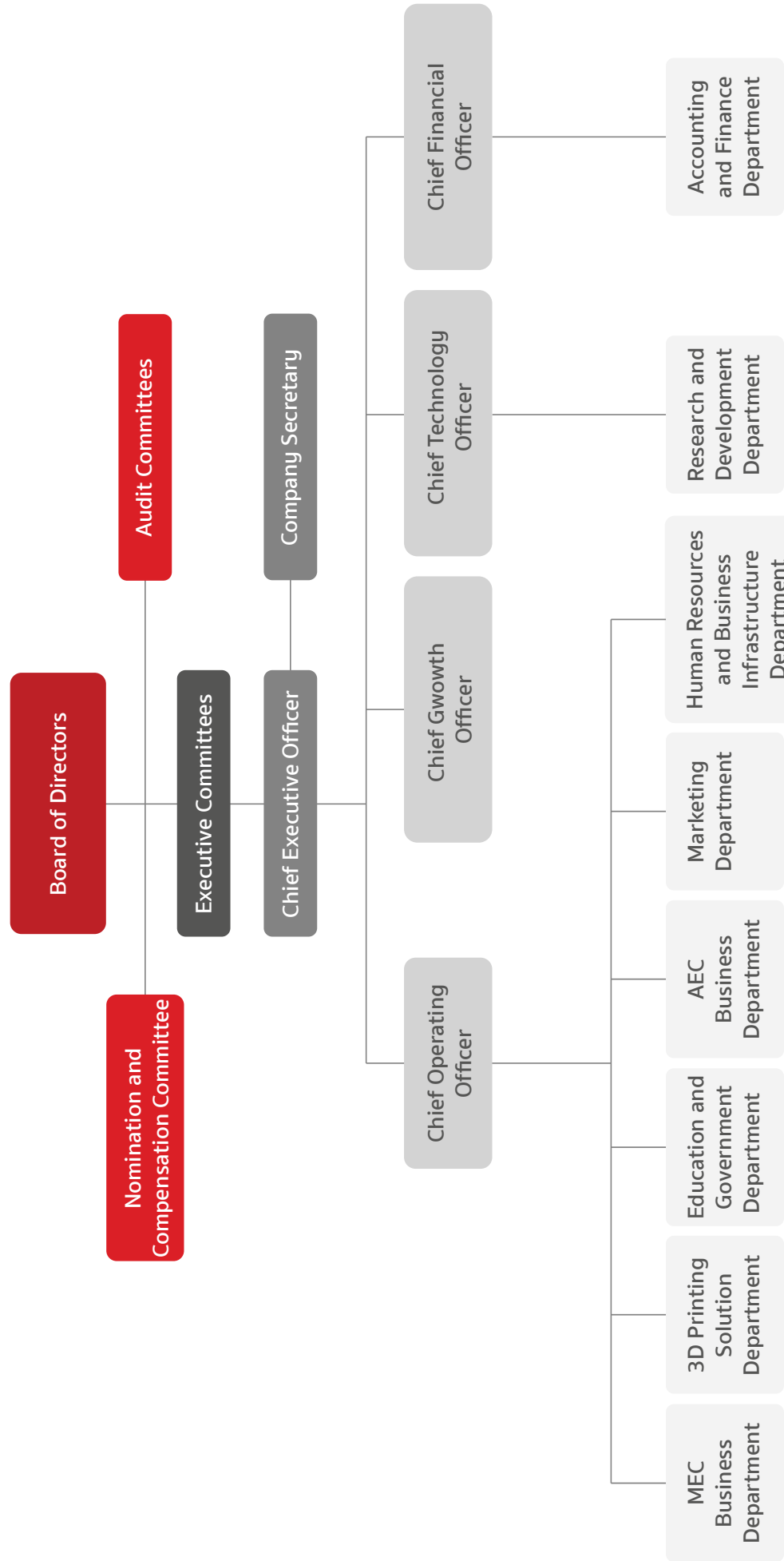
- 8.1 Do not take any action that will affect the damage to society.
- 8.2 Raise awareness of social responsibility to employees at all levels.
- 8.3 Promoting the development of social quality by focusing on education, knowledge development for employees.

6.3 Other actions according to the principles of good Corporate Governance

-None-

7. Corporate Governance Structure and Important Information about the Board of Directors, Sub-committees, executives, employees and others

7.1 Corporate Governance Structure



Remark: The Company employed P&L Internal Audit Public Company to check the internal control of the Company.

7.2 Board of Directors of the Company

Board of Directors consists of 9 directors as follows;

Name – Last name	Position
1. Asst. Prof. Dr. Prasert Kanthamanon	Chairman of the Board of Directors and Independent Director
2. Mr. Prapas Tangadulrat	Director and Chief Executive Officer
3. Mr. Somsak Worraraksa	Director
4. Miss Thitiporn Chartaisong	Director
5. Mr. Prakrit Laobooncharoen	Director
6. Dr. Sunee Sornchaitanasuk	Chairman of the Audit Committee and Independent Director
7. Mr. Thanin Pornsiritivet	Audit Committee and Independent Director
8. Dr. Niti Nerngchamnon	Audit Committee and Independent Director
9. Mr. Jeerawat Kulsapudom	Audit Committee and Independent Director

Note: Mr. Jeerawat Kulasubudom Resigned from BOD on 13 June 2021 and Dr. Niti Nerngchamnon was proposed to be an Audit Committee Member and Independent Director according to the resolution of the Board of Directors Meeting No. 3/2021.

And Mr. Sorawat Nakmanee is a company secretary .

The authorized director of the Company

1. Mr. Prapas Tangadulrat signs together with Miss Thitiporn Chartaisong and the seal of the Company or
2. Mr. Prapas Tangadulrat or Miss Thitiporn Chartaisong signs together with Mr. Somsak Worraraksa or Mr. Prakrit Laobooncharoen as two directors and the seal of the Company.

The Board of Directors' meeting

In 2020 and 2021, the Company held the Board of Directors' meeting for 7 times and 4 times respectively as the following details of each director;

Name – Last name	Position	No. of meeting attended/ total No. of meeting	
		2020	2021
1. Asst. Prof. Dr. Prasert Kanthamanon	Chairman of the Board of Directors and Independent Director	7/7	4/4
2. Mr. Prapas Tangadulrat	Director and Chief Executive Officer	7/7	4/4
3. Mr. Somsak Worraraksa	Director	7/7	4/4
4. Miss Thitiporn Chartaisong	Director	7/7	4/4
5. Mr. Prakrit Laobooncharoen	Director	7/7	4/4
6. Dr. Sunee Sornchaitanasuk	Chairman of the Audit Committee and Independent Director	6/7	4/4
7. Mr. Thanin Pornsiritivet	Audit Committee and Independent Director	7/7	4/4
8. Mr. Jeerawat Kulsapudom	Audit Committee and Independent Director	7/7	2/2
9. Dr. Niti Nerngchamnon	Audit Committee and Independent Director	-	1/1

Note: Mr. Jeerawat Kulasubudom Resigned from BOD on 13 June 2021 and Dr. Niti Nerngchamngong was proposed to be an Audit Committee Member and Independent Director according to the resolution of the Board of Directors Meeting No. 3/2021.

7.3 Sub-Committee

Audit Committee

Audit Committee consists of 4 directors as follows;

Name – Last name	Position
1. Dr. Sunee Sornchaitanasuk	Chairman of the Audit Committee and Independent Director
2. Mr. Thanin Pornsiritivet	Audit Committee and Independent Director
3. Mr. Jeerawat Kulsapudom	Audit Committee and Independent Director
4. Dr. Niti Nerngchamngong	Audit Committee and Independent Director

Note: Mr. Jeerawat Kulasubudom Resigned on 13 June 2021 and Dr. Niti Nerngchamngong was proposed to be an Audit Committee Member and Independent Director according to the resolution of the Board of Directors Meeting No. 3/2021.

And Mr. Sorawat Nakmanee is a secretary of Audit Committee.

The Audit Committee's meeting

In 2020 and 2021, the Company held the audit committee's meeting for 4 times and 4 times respectively as the following details of each director;

Name – Last name	Position	No. of meeting attended/ No. total meeting	
		2020	2021
1. Dr. Sunee Sornchaitanasuk	Chairman of the Audit Committee and Independent Director	4/4	4/4
2. Mr. Thanin Pornsiritivet	Audit Committee and Independent Director	4/4	4/4
3. Mr. Jeerawat Kulsapudom	Audit Committee and Independent Director	2/2	2/2
4. Dr. Niti Nerngchamngong	Audit Committee and Independent Director	-	1/1

Note: Mr. Jeerawat Kulasubudom Resigned on 13 June 2021 and Dr. Niti Nerngchamngong was proposed to be an Audit Committee Member and Independent Director according to the resolution of the Board of Directors Meeting No. 3/2021.

Nomination and Compensation Committee

Nomination and Compensation Committee consists of 3 directors as follows;

Name – Last name	Position
1. Dr. Sunee Sornchaitanasuk	Chairman of the Nomination and Compensation Committee
2. Mr. Thanin Pornsiritivet	Nomination and Compensation Committee
3. Dr. Isra Akrapitak	Nomination and Compensation Committee

Note: The Nomination and Remuneration Committee has been appointed according to the resolution of the Board of Directors Meeting No. 2/2021 And Mr. Sorawat Nakmanee is a secretary of Nomination and Compensation Committee.

The Nomination and Compensation Committee's meeting

In 2021, the Company held the Nomination and Compensation Committee's meeting for 1 time as the following details of each director;

Name – Last name	Position	No. of meeting attended/ No. total meeting
		2021
1. Dr. Sunee Sornchaitanasuk	Chairman of the Nomination and Compensation Committee	1/1
2. Mr. Thanin Pornsiritivet	Nomination and Compensation Committee	1/1
3. Dr. Isra Akrapitak	Nomination and Compensation Committee	1/1

Executive Committee

The Company has 7 executive directors as follows;

Name – Last name	Position
1. Mr. Prapas Tangadulrat	Chief Executive Officer
2. Dr. Isra Akrapitak	Executive vice president
3. Mr. Somsak Worraraksa	Executive Director
4. Miss Thitiporn Chartaisong	Executive Director
5. Mr. Thussanai Paisiriyaunyong	Executive Director
6. Mr. Prakit Laobooncharoen	Executive Director
7. Mr. Jeerawat Kulsapudom	Executive Director

And Mr. Sorawat Nakmanee is a secretary of Nomination and Compensation Committee.

7.4 Scope of Responsibilities

The structure of the Board of Directors consists of 3 sets of committees; the Board of Directors, the Audit Committee and the Executive Committee which are fully qualified under Section 68 of the Public Limited Companies Act B.E. 2535 (1992) and as announced by the Relevant Capital Markets Commission. In this regard, the scope of the authority of the Board of Directors is as follows;

Scope of responsibilities of the Board of Directors

1. The Committee shall have the power, duties and responsibilities of the management and operations of the Company according to the laws, the Articles of Association of the Company as well as the resolutions of the Shareholders' Meeting with honesty and careful to maintain the Company's interests.
2. Arrange the board meeting at least 3 months at a time
3. Perform the appropriate and efficient accounting systems and provide reliable financial reporting and auditing, as well as provide adequate and appropriate internal control systems and internal audit systems.
4. Arrange the balance sheet and income statement of the Company as at the end of the accounting period of the company verified by the auditor and present to shareholders for consideration and approval.
5. Set goals, policies, plans business, the Company's budget as well as monitoring and supervision of administration and management of the Company and its subsidiaries in accordance with the policies, plans, budgets and compliance with applicable laws, as well as the notifications, regulations and relevant guidelines of the Capital Market Commission, the Securities and Exchange Commission, the Stock Exchange of Thailand such as the related party transaction, acquisition or disposal of major assets as far as non-conflicting or controversial to other laws.
6. Review and approve policy directions, strategies, business operations of the Company proposed by management.
7. Continuously monitor operations in accordance with roadmap and budget.
8. Consider and define the risk management policy to cover both the organization and supervise the system or process of risk management, with support measures and control methods to reduce the impact on the Company's business properly.
9. Consider and establish the management structure, the power to appoint the subcommittee, the chief executive officer and other subcommittees as appropriate including the scope of the authority of such persons.

In this regard, the delegation stipulated by the scope of the authority must not be as a delegation that makes the subcommittee, chief executive officer and other subcommittees can consider and approve potential conflicts of interest, interest or any other conflicts of interest with the Company or its subsidiaries, except as an approval of items in accordance with the policies and guidelines already considered and approved by the Board of Directors.

10. Prepare the annual report and be responsible for the preparation and disclosure of financial statements to reflect the financial operating results in the past year and presented to the meeting of shareholders for consideration and approval.
11. The Board of Directors may authorize one or several directors or any other person to perform on behalf of the Board of Directors under the control of the Board of Directors or provide the authority to have such persons as the Board of Directors deemed appropriate within the period of time that the Board of Directors deems appropriate, which the Board of Directors may revoke, change or amend the authority when deemed appropriate.

In this regard, the authorization is not allowed for such people to consider and approve their projects or individuals that may be conflicts of interest, interest or any other conflicts of interest with the Company or its subsidiaries as such definition in notification of the Capital Market Commission and/or the Securities and Exchange Commission and/or the Stock Exchange of Thailand except as an approval of items in accordance with the policies and guidelines already considered and approved by the Board of Directors.

Scope of responsibilities of the Audit Committee

1. To review the financial reporting of the Company to be accurate and adequate.
2. To review the system of internal control (Internal Control) and internal audit (Internal Audit) of the Company

to be appropriate and effective and consider the independence of the internal audit agency, as well as to approve the appointment, transfer, dismissal of the head of the internal audit agency or any other agency responsible for internal audit.

3. To review the management, practices and policies, risk management (Risk Management) as required.
4. To review the Company to comply with the Securities and Exchange Commission law, terms of the Stock Exchange and laws related to the Company's business.
5. Consider, select, propose, appoint an independent person to act as auditor of the Company and offer the remuneration of such persons, as well as attend meetings with the auditor without management at least once a year.
6. Consider the related party transactions or transactions that may have a conflict of interest in accordance with the laws and requirements of the Stock Exchange in order to ensure that such transactions are reasonable and in the best interests of the Company.
7. Prepare the Report of the Audit Committee disclosed in the annual report of the Company. The report must be signed by the Chairman of the Audit Committee and must contain at least the following information;
 - a) Opinion on the accuracy, completeness and reliability of the Company's financial reports
 - b) Opinion on the adequacy of the Company's internal control system
 - c) Opinion on the terms of the Stock Exchange or the laws relating to the Company's business
 - d) Opinions about the appropriateness of the auditor
 - e) Opinion on transactions that may have a conflict of interest
 - f) Number of Audit Committee meetings and attendance of each audit committee
 - g) Overall opinion or observations received by the Audit Committee from charter
 - h) Other items that see that shareholders and investors should know under the scope of duties and responsibilities assigned by the Board of Directors.
8. Have the right to be independent of any professional consultant's fees as deemed necessary by the Company.
9. Perform other duties as the Board of Directors approved with the opinion of the Audit Committee.

Scope of responsibilities of the Nomination and Compensation Committee

1. Consider the structure, composition and qualifications of the Company's directors and senior management of the Company.
2. Determine the vision and strategy of human resources and the Company's senior management development plan.
3. Ensure that the Board of Directors of the Company has appropriate sizes and components for the organization, including modification in accordance with the changing environment.
4. Determine policies, rules, procedures and processes that are clear, transparent, appropriate and beneficial to the organization in the recruitment, dismissal or dismissal of directors and high-level executives of the Company and propose to the Board of Directors of the Company for approval in order for the Company to have qualified board members and executives with appropriate knowledge and experience in the operation of the Company to be more effective and successful.
5. Establish guidelines, criteria, methods and processes that are effective in evaluating the performance of the Board of Directors and senior management of the Company by comparing with the annual target that is related to the jointly set business plan to consider adjusting the annual return. It has to take into account the duties, responsibilities and risks involved, as well as pay attention to the increase in shareholders' equity in the long term in consideration of the evaluation.
6. Determine compensation policies and strategies, including salary, meeting allowances, allowances, bonuses or other types of benefits, including the amount of remuneration and other benefits to the directors and senior management of the Company to propose to the Board of Directors for approval with clear and transparent rules and suitable duties and responsibilities and based on performance to be able to induce, maintain and motivate personnel with high potential and required qualifications.
7. Provide a succession plan for important management positions and to be reviewed regularly by assessing the importance of the position, recruiting and developing so that

there are successors in management who have knowledge, abilities, experience and other qualifications that meet the needs and benefit the organization for efficiency Productivity and the Company's growth.

8. Select and nominate qualified persons to hold positions of directors and high-level executives of the Company by inviting specialists to participate in the recruiting process as needed at the Company's expense.
9. Disclosure of various compensation policies, including the amount of directors' remuneration in the Company's annual report.
10. Evaluate the performance of the Nomination and Remuneration Committee and report to the Board of Directors for the year.
11. Perform any other duties as assigned by the Board of Directors.

Scope of responsibilities of the Executive Committee

1. To consider the proposal of the management and present the business plan, including the Company's annual budget to the Board of Directors to approve.
2. To supervise the Company's business operations in accordance with the policy, goals, business plans, and budgets that are defined and supervise quality and efficiency operations.
3. To consider and approve normal business operations such as investments in accordance with investment statements or budgets approved by the Board of Directors, order products, sales order and so on. The limit for each item is in accordance with the approval table approved by the Board of Directors.
4. To establish the employment rate and consider adjusting the salary, employee bonus from the chief operating officer level, as well as to consider approving the capacity of people who are not in the annual budget in accordance with the approval table approved by the Board of Directors.
5. To consider the profits and losses of the Company, proposal of annual dividend or interim dividend payment to propose to the Board of the Company to approve.
6. To give the power to authorize any other person to one person or several people operating one under the control of the executive committee or may authorize the authority to grant such person the authority as deemed

appropriate, and within the time of the executive committee deems appropriate. The executive committee may cancel, revoke, change or modify the person who has been authorized or authorized to be authorized as deemed appropriate.

7. Perform other duties according to the Board of Directors assigned from time to time

In this regard, the assignment of authority and responsibility of the executive committee shall not be as authorized or sub-authority that allows the authorized person stake from the executive committee to approve transactions of which they or the person may have conflicts (according to the definition of the notification of the Capital Market Commission and/or the Securities and Exchange Commission and/or the Stock Exchange of Thailand and/or related agencies), interests or may have any other conflict of interest with the Company or its subsidiaries and/or related companies. The executive committee does not have the authority to approve the operation of such matters. This must be proposed to the Board of Directors' Meeting and/or the meeting of shareholders (as a case) for further approval, except as an approval of transactions in accordance with normal business and regular trading conditions in accordance with the notification of the Capital Market Commission and/or the Securities and Exchange Commission and/or the Stock Exchange of Thailand and/or related agencies.

Scope of Authority, Duties and Responsibilities of the Chief Executive Officer

1. Supervise the operation and/or daily administration of the Company
2. Prepare the business plans as well as the Company's business strategy and annual budget to propose to the Executive Committee and the Board of Directors of the Company for further approval.
3. To supervise the operation or performance of the Company according to the policies, plans and budgets approved by the Board of Directors of the Company and to monitor and evaluate the performance of the Company according to the policy and consistent with good governance as well. And report the performance of management including progress in the implementation to the executive committee, Audit Committee and the Board of Directors.
4. To consider and approve regular business operations in accordance with investment statements or budgets

approved by the Board of Directors. The limit for each item is in accordance with the approval table approved by the Board of Directors. However, it shall not exceed the annual budget approved by the Board of Directors including the agreement relating to such matters.

5. Have the authority to consider and approve the Company's regular business operations in accordance with the budget approved by the Board of Directors and in accordance with the approval authority approved by the Board of Directors.
6. Have the authority to approve manpower, employment, packing employee, determining wages and bonuses, remuneration and appointment of employee as well as determining the duties and responsibilities of each department and position for the deputy director downward.
7. Have the power to issue orders, regulations, announcements and records for the operations of the Company according to the policies and interests of the Company and to maintain discipline within the organization.
8. Have the authority to appoint committee or other working groups for the benefit and efficiency of good management and transparency and have the power to authorize any other person to one person or several people operating one under the control of the Chief Executive Officer or may authorize the authority to grant such person the authority as deemed appropriate and within the appropriate time. The chief executive officer may cancel, revoke, change or modify the person who has been authorized or authorized to be authorized as deemed appropriate.
9. Perform other duties as assigned by the Executive Committee or the Board of Directors.

In this regard, the implementation of the chief operating officer or a person authorized by the chief executive officer, or a person who may have conflicts of interest (in accordance with the notification of the Capital Market Commission and/or the Securities and Exchange Commission and/or the Stock Exchange of Thailand and/or related agencies) interests or may have any other conflict of interest with the Company or its subsidiaries and/or related companies. The chief executive officer does not have the authority to approve the operation of such matters. This must be proposed to the Board of Directors' Meeting and/or the meeting of shareholders (as a case) for further approval, except as an approval of transactions in accordance with normal business and regular trading conditions in accordance with the notification of the Capital Market Commission and/or the Securities and Exchange Commission and/or the Stock Exchange of Thailand and/or related agencies.

The authority of approval

The company has approved the operations as follows;

List	Chief Executive Officer	Executive Committee	Board of Directors
1. Approval of the investment exceeded the investment budget approved	10% And report to the Board of Directors	20% And report to the Board of Directors	> 20%
2. Approval of the investment plan apart from budget plan	< 1 million baht And report to the Board of Directors	< 10 million baht And report to the Board of Directors	> 10 million baht
3. Approval of the order to sell	< 5 million baht	< 30 million baht	> 30 million baht
4. Approval of the non-product orders to sell	< 1 million baht	< 30 million baht	> 30 million baht
5. Sales approval	< 5 million baht	< 30 million baht	> 30 million baht

7.5 Executive

The Company has 10 executives as follows;

Name – Last name	Position
1. Mr. Prapas Tangadulrat	Chief Executive Officer
2. Dr. Isra Akrapitak	Chief Operating Officer
3. Miss Thitiporn Chartaisong	Chief Financial Officer
4. Mr. Jeerawat Kulsapudom	Chief Growth Officer
5. Mr. Somsak Woraraksa	Director of AEC Business Department
6. Mr. Thussanai Paisiriyaunyong	Executive Director
7. Mr. Krirkrit Jearnkamonchuen	Director of MEC Business Department and Director of 3D Printing Solution Department
8. Mr. Chayo Petcharat	Director of Research and Development Department
9. Mrs. Khwanchai Viriyasumon	Accounting manager - AppliCAD Public Company Limited
10. Miss Phiemzetha Zibhunyarut	Accounting manager - Subsidiaries

7.6 Remuneration of Directors and Executives

1 Monetary Remuneration

From 2019 - 2021, the Company has provided the meeting allowance to the Board of Directors as follows;

Name – Last name	2019	2020	2021
1. Asst.Prof.Dr. Prasert Kanthamanon	210,000	240,000	150,000
2. Mr. Prapas Tangadulrat	35,000	40,000	25,000
3. Mr. Somsak Woraraksa	35,000	40,000	25,000
4. Miss Thitiporn Chartaisong	35,000	40,000	25,000
5. Mr. Prakrit Laoboontharoen	140,000	140,000	87,500
6. Dr. Sunee Sornchaitanasuk	320,000	242,500	240,000
7. Mr. Thanin Pornsiritivet	245,000	210,000	167,500
8. Mr. Jeerawat Kulsapudom	210,000	210,000	87,500
9. Dr. Niti Nerngchamnong	-	-	35,000
10. Dr. Isra Akrapitak	-	-	5,000
Total	1,230,000	1,162,500	847,500

Remark: From the Annual General Meeting of Shareholders for the year 2021 on 20 April 2021 had the resolution to consider and approve the remuneration of Directors as follows;

(Unit: Baht)

Position	meeting allowance / person / one time
Board of Directors	
- Chairman of the Board of Directors	30,000
- Director who is not executive	17,500
- Director who is executive	5,000
Audit committee	
- Chairman of the Audit Committee	30,000
- Audit Committee	17,500

Remuneration of Executives

From 2019 to 2021, the Company has provided the remuneration to the executives as 18.57 million baht, 20.68 million baht and 22.61 million baht. This remuneration includes a salary, a bonus, a contribution to provident fund and a commission.

Year	No. of executive (Person)	Remuneration (Baht)
2019	9	18,573,976.58
2020	9	20,681,291.04
2021	10	22,618,963.79

2 Other remunerations

- None -

7.7 Personnel

Number of personnel

As of 31 December 2019 to 31 December 2021, the Company has the total employees of 367, 373 and 377 respectively classified as business unit as the following details;

Business unit	Number of employees		
	As of 31 Dec 2019	As of 31 Dec 2020	As of 31 Dec 2021
1. Executives	9	9	10
2. Management	3	4	4
3. 3D Printing Solution Department	24	32	33
4. Education and Government Department	11	10	10
5. AEC Business Department	62	64	56
6. Marketing Department	21	21	21
7. MEC Business Department	96	88	92
8. Accounting and Finance	21	22	25
9. Human Resources and Business Infrastructure	21	19	19
10. Research and Development Department	18	24	31
11. Subsidiaries' employee	81	80	76
Total	367	373	377

Employee remuneration

Monetary remuneration

Employee remuneration

From 2019 to 2021, the Company and its subsidiaries have paid the remuneration to the employees (excluding executives) as 197,337,480.90 baht, 191,465,243.41 baht and 201,397,030.09 baht respectively. This remuneration is a salary, a commission, overtime, a bonus, a contribution to social insurance funds and a contribution to the provident fund.

Other remuneration

- None -

Significant labor disputes in the past three years

- None -

Personnel development Policy

The Company has realized that the personnel are the significant resources in the organization. Therefore, the Company has emphasized and focused on the human resource management by defining the human resource management policy as the key principle as follows;

1. The Company will manage human resources to support and comply with and the vision, policy as well as the strategy of the Company.
2. The Company will establish a clear, transparent and fair human resource management system and can be adjusted in accordance with current circumstances.
3. The company will focus on recruitment by providing a fair and efficient recruitment and selection system to provide talented to be consistent with the organization's culture.
4. The Company will focus on the personnel development to be more knowledgeable and capable by arranging the training in various ways regularly.
5. The Company will manage the wages and benefits to the employees by considering the duties and responsibilities of each position, ability of each employee as well as the ability to compete in the market.
6. The Company will allocate welfare appropriately. In addition, the Company's Board of Directors is considering the benefits and necessities of the personnel in accordance with the Company's capabilities, the nature of the business by considering to be improved in line with the changes in the economic and social conditions.
7. The Company focuses on creating a welcoming atmosphere and creating a better understanding as well as arranging the environment to be safe to operate in order to make the relationship between the Company and employees and between employees and employees run smoothly and friendly including hearing problems, and resolve to cooperate with the employees like the family.

7.8 Other important information

Company Secretary

Name – Last name	Position
1. Mr. Sorawat Nakmanee	Company Secretary

In the Board of Directors' meeting no.6/2020 on 14 August 2020, Mr. Sorawat Nakmanee was appointed as a company secretary from the resolutions of the Board of Directors' meeting in accordance with the section 89/15 of the Securities and Exchange Act B.E. 2535, revised by the Securities and Exchange Act (No. 4), B.E. 2551 which defines the responsibilities of the company secretary as follows;

1. To supervise and advise directors and executives regarding compliance, regulations, rules, articles of association as well as to monitor the right practices correctly and consistently.
2. To be responsible for the board of directors' meetings and shareholders' meetings, as well as the coordination of such meetings as the rules of the meeting.
3. To supervise the information disclosure and reporting in the responsible section in accordance with rules and regulations of the Stock Exchange of Thailand and Securities and Exchange Commission, as well as related laws.
4. To prepare and store the following document;
 - 4.1 Registration of Director
 - 4.2 Notice and report of the Board of Directors' meeting
 - 4.3 Notice and report of the Shareholders' meeting
 - 4.4 Annual Report
 - 4.5 Stakeholder report of executive directors

Investor Relations

Name – Last name	Position
1. Miss Wilaiphan Saneewong Na Ayutthaya	Investor Relations

If any investors require more information, please contact investor relations as following information;

Address : 69, Sukhumvit 68, Sukhumvit rd., Bangnaneua, Bangna, Bangkok, 10260
Telephone Number : 0-2744-9045
Email : ir@applicadthai.com

Audit Fee

In the fiscal year of 2021 ended 31 December 2021, the Company paid the audit fee to the Company's auditor, Karin Audit Co., Ltd. as the amount of 2,000,000 baht, which is the audit fee and the interim financial statements for the Company and its subsidiaries as well as the consolidated financial statements. In addition to such compensation, the Company has not paid other non-audit fees.

8. Report on performance of important corporate governance

8.1 Nomination and appointment of directors and top-level executives

The selection of persons to be appointed as directors of the Company shall be done through the meeting of shareholders. The Board of Directors will consider from the experience, knowledge, competence and qualifications required by law. Since the Company does not have the Nomination Committee to select the person who will hold such position, then the meeting of shareholders will select in accordance with the criteria and procedures set in the Articles of Association of the Company.

1 The composition and appointment of the Board of Directors.

1. Shareholders shall consider and approve the appointment of the Board of Directors.
2. The Board of Directors consists of at least 5 directors and not less than half of the total number of directors must be resident in the Kingdom and must meet the required laws.
3. The Company has a policy that Chairman and chief operating officer shall not be the same person to achieve clarity on the responsibilities between policy making, governance and management.
4. The Board of Directors structure shall consist of independent directors in the right amount to supervise the activities which is not less than one-third of the total board of directors, but not less than 3 persons, in accordance with the requirements of the Securities and Exchange Commission.
5. The appointment of directors in accordance with the Articles of Association of the Company and related laws which must be transparent and clear in the nomination of directors and the consideration should require a person's history, education and experience, and the professional of the person with sufficient details for the purpose of decision-making of the Board of Directors and shareholders.
6. Directors who retired by rotation may be re-elected to such position.

2 The composition and appointment of Independent Directors.

The Board of Directors will jointly consider the qualifications of the person who will be Independent Directors based on the qualifications and characteristics of the Directors under the notification of the Capital Market Commission, the Securities and Exchange Commission, the Stock Exchange of Thailand including the announcement, regulations and/or related regulations. In addition, the Board of Directors will consider selecting independent directors from qualified people. It will then be presented to the meeting of shareholders to consider the appointment of the Company's directors. The Company has a policy to appoint at least one-third of the total director and must not be less than 3 persons.

Qualification of Independent Director

1. Holding not over 1% of the shares with voting rights of the Company, its subsidiaries, associated companies or juristic person of the person who may have conflict including shares held by the relevant person.
2. Not being or having been a director, an employee, staff, consultant with a salary or controlling authority of the Company, the parent company, its subsidiaries, associates, same subsidiaries or juristic persons who may conflict unless they have been removed from such characteristics for at least 2 years prior to the submission date of application to the Securities & Exchange Commission.
3. Not a person with a bloodline relationship or by legal registration in a parent, spouse. brothers and children, including spouses of executives, major shareholders, control authorities or persons who will be offered as executives or control authorities of the Company or its subsidiaries.
4. Not being or have been a business relationship with the Company, the parent company, its subsidiaries. associates

or potentially conflicting entities in a manner that may hinder the use of independent judgment including not being or as a major shareholder, directors who are not independent directors or executives of those with business ties with the Company, parent companies, subsidiaries, the company or juristic person who may have conflicts unless it has been removed from such characteristics for at least 2 years prior to the submission date of application to the Securities & Exchange Commission.

5. Not being or have been an auditor of the Company, the parent company, its subsidiaries, associates or potentially conflicting entities in a manner that may hinder the use of independent judgment including not being or as a major shareholder, directors who are not independent directors, executive or managing partner of the Audit Office, which has the company's auditors, the parent company, its subsidiaries, associates or juristic persons who may have conflicts unless they have been removed from such characteristics for at least 2 years prior to the submission date of application to the Securities & Exchange Commission.
6. Not being or have been any professional service providers including providing legal advisors or financial advisors, which are charged more than 2 million baht per year from the Company, parent company, its subsidiaries, associates, or juristic person that may have conflict of interest. In the event that a professional service provider is a juristic person, including being a major shareholder, directors who are not independent directors, executive or the manager partner of the professional service provider, unless it has been removed from such characteristics for at least 2 years prior to the submission date of application to the Securities & Exchange Commission.
7. Not being a director appointed as a representative of the Board of Directors of the Company, its major shareholder or shareholders who are related to the major shareholders of the Company.
8. Do not operate in the same nature and be a significant competition with the affairs of the applicant or its subsidiaries, or not as an implied partner in the partnership or as an executive director, employees, staff, consultants who receive regular salaries or hold more than 1% of the total voting rights of third parties, which operate in the same nature and are significant competition with the Company's business or its subsidiaries.
9. Not having any characteristics which make it impossible to comment freely about the operations of the Company.

3 The composition and appointment of the Audit Committee.

1. The Board of Directors shall appoint the audit committee of at least three persons and each director must be independent directors.
2. The Board of Directors or the audit committee shall select 1 member of the audit committee to serve as chairman of the audit committee.
3. The audit committee shall have at least one person with knowledge or experience in accounting or finance and knowledgeable about the reason for the change of financial reporting.

In this regard, each audit committee shall have the term of office for 3 years or equal to the term of director of the Company.

4 The composition and appointment of the Nomination and Compensation Committee.

1. The Nomination and Remuneration Committee shall be appointed by the Board of Directors in order to promote good corporate governance principles which is responsible for formulating criteria and policies in recruiting and also determine the remuneration of the Company's directors and sub-committees, including nominating, selecting and proposing suitable persons to serve as the Company's directors, including senior management positions of the Company and method of determining remuneration in a methodical and transparent manner as well as performing other tasks as assigned and presented to the Board of Directors and/or the shareholders' meeting.
2. The Board of Directors shall appoint the Nomination and Remuneration Committee, comprising not more than 4 directors, of which more than half of them must be independent directors. In this regard, there must be at least one director who has knowledge, capability or expertise in personnel management. The Chairman of the Nomination and Remuneration Committee must be an independent director.
3. Be Able to devote sufficient time to work.

5 Selection of the Chief Executive Officer, Chief Operating Officer or equivalent level position.

When the position of chief executive officer, chief operating officer or equivalent level position is vacant or who is not in a position to perform the duties, the Company will manage the duties to a nearby level or secondary level to act in that position until the recruitment and selection of qualified person will be done in accordance with the Company's criteria. In this regard, such person shall have a vision, knowledge and experience appropriate to the organizational cultural. The executive committee considers the nomination to present to the Board of Directors for the approval of the appointment of a suitable replacement for the position further.

8.2 Supervision of the operation of subsidiaries and affiliates.

The Company will invest in companies with the same business objectives as the Company's core business or similar business or business supporting the Company's business which will increase its turnover or profitability or invest in synergy businesses for the Company by supporting the Company's core business operations to increase the Company's competitiveness. The Board of Directors may consider investing in other businesses than the Company's core business. If the Board of Directors sees such business as a potential business and such investment is beneficial to the Company and its shareholders.

To supervise the subsidiaries and associates, the Company will send directors or executives with the right qualifications and experience to conduct business to represent the management of the subsidiary and its associates to formulate important policies and control the business of such subsidiaries and/or associates. Directors representing the Company shall act in supervising subsidiaries and/or associates to manage or perform various operations in accordance with the Company's policies as well as to exercise their discretion in accordance with the resolutions of the Board of Directors and/or the meeting of shareholders of the Company to approve the critical matters of subsidiaries and/or associates to maximize the benefit of the Company and to achieve sustainable growth of the Company.

8.3 Control of Internal Information

The Company and its subsidiaries recognize and appreciate the importance of the implementation of the Principles of Corporate Governance (Good Corporate Governance) to strengthen the confidence of shareholders, investors and those involved in the ongoing operation. In addition, the Board of Directors is aware of the importance of using the Company's internal information for its personality. Therefore, the Board of Directors and executives of the Company should consider the company's internal data control measures to ensure that the Company has transparent operations in accordance with good corporate governance principles as follows;

1. Directors and employees must maintain the confidentiality/data within the Company and subsidiaries and shall not disclose such information, or to seek benefits for such information or for the benefit of another person, whether direct or indirect, and whether they receive compensation or not.
2. The Company shall arrange to collect the important information that has not been disclosed as confidential and limit to know only the management and disclose to the employee of the Company as necessary.
3. In a case, the Company has to disclose the internal information to the employee of the Company, the Company shall inform the employee as the confidential and limit to use.
4. Prohibit the directors, executives, employees and staff of the Company and its subsidiaries, including spouses or those who live together, my husband, wife and underage child to use the Company's internal information and its subsidiaries, which may have or may have an impact on changes in the price of the Company's securities, which have not been made public to purchase, sell, buy or offer the Company's securities directly or indirectly before it is disclosed publicly. Whether such actions are done for the benefit of themselves or others, or to allow others to do so without their benefit, anyone who violates the breach will be punished in accordance with the disciplinary measures of the Company and its subsidiaries.
5. The Company prohibits directors, executives and employees of the Company and its subsidiaries to receive the internal information in order to disclose such information to third parties or the personnel involved and prohibits directors and

executives of the Company including their spouses or those living together as husband and wife, children and underage person in the purchase - sale of shares of the Company during the period of 1 month before the Company shall publish financial statements or publish information that is essential to the public.

6. The Company shall educate the directors and executives of the Company to acknowledge the duty on reporting their holding of securities including their spouses or those living together as husband and wife, children and underage person according to Section 59 of the Securities Exchange Act of 2535, including the amendment ("Securities Act") and the notification of the Securities and Exchange Commission No. SorChor. 12/2552 Re: preparation and disclosure of shareholding of directors, executives and auditors and the punishments under Section 275 of the Securities and Exchange Act BE 2535.
7. The Company requires the directors and executives of the Company to report any changes in the shareholding of the Company to the Securities and Exchange Commission according to Section 59 of the Securities Exchange Act of 2535, including the amendment ("Securities Act") and the notification of the Securities and Exchange Commission No. SorChor. 12/2552 Re: preparation and disclosure of shareholding of directors, executives and auditors and send a copy of this report to the Company on the same day the report is submitted to the Securities and Exchange Commission.

8.4 Report of the Audit Committee

To Shareholders

The Audit Committee of AppliCAD Public Company Limited ("the Company") comprises of three Independent Directors who are expert in financial accounting, law and business. All audit committees are qualified as defined in the regulations of the Securities and Exchange Commission of Thailand and the Stock Exchange of Thailand, namely Dr. Sunee Sornchaithanasuk, Mr. Thanin Pornsirithivej and Dr. Niti Nerngchamnon. The Audit Committee has been appointed by the Board of Directors' meeting to operate to a certain extent, duties and responsibilities as specified in the Charter of the Audit Committee, which is reviewed at least once a year and complies with the best practices of the Audit Committee, regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand.

In 2021, the Audit Committee held 4 meetings with 100% of attendance from all Audit Committee members, to discussion with management, internal auditors, auditors and also present to the Board of Directors for regular sessions. The Audit Committee has performed the duties which are summarized as follows:

1. Review of Financial Reports

The Audit Committee has reviewed quarterly and annually the Financial Statements for the year 2020 of the Company with the Management and External Auditor by discussing with the External Auditor on the accuracy and completeness of financial information and such Financial Statements, significant adjustment which affected to the Financial Statements and Key Audit Matters in the Audit Report. The Audit Committee concluded that such Financial Statements, including the disclosure of information in the notes to the Financial Statements of the Company has been conducted accurately, completely, timely and reliably in accordance with Financial Reporting Standards to benefit users of such Financial Statements. The auditor has reported with an unconditional opinion and the result of the control assessment are appropriate, concealment was not found and was able to work independently. In addition, the Audit Committee has arranged the meeting with the Auditor without

the Company's management one time to determine the scope and inquire about the risks of irregular transactions that may or may occur during the audit.

2. Review of Related transactions or transactions that may lead to conflicts of interest

The Audit Committee has considered the disclosure of the Company's information in the event of related transactions or transactions that may lead to conflicts of interest by adhering to the principles of fairness, normal business, transparency, adequate information disclosure as done to the general public and concluded that the disclosure of the Company's information is sufficient and in accordance with the regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand.

3. Review of Risk Management

The Audit Committee has reviewed the Company's risk management of 2020, covering the situation of COVID-19

by reviewing the management of potential economic risks, such as financial liquidity, Receivables management and payments to assess the impairment of assets, etc. and to regularly consider and review the suitability and effectiveness of risk management procedures and also provide suggestions to improve the management process appropriately.

4. Review of Internal Control

The Audit Committee has reviewed the adequacy of the Company's internal control system in conjunction with the independent internal audit and management by having internal audit reports directly to the Audit Committee and to monitor the revised work according to the recommendations in the audit report and comments of the Audit Committee continuously, as well as to revise the internal control system in accordance with the changing situation. The Audit Committee has concluded that the Company has an adequate and effective internal control system in accordance with the Principles of Good Internal Control of the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

5. Review of Good Corporate Governance

The Audit Committee has reviewed the Code of Conduct in order to ensure systematic good Corporate Governance and regularly review whistleblowing policies and procedures to report complaints for non-compliance with securities laws and laws relating to the Company's business operations, as well as tracking changes in regulations to ensure that the Company strictly complies with the regulations in order to ensure transparency and ethics, ensuring confidence among all stakeholders.

6. Consider the appointment of auditors and audit fees

The Audit Committee has considered the selection of auditors by considering their readiness, scope of service, independence and appropriateness of the audit fee rates and has provided opinions to the Board of Directors to be presented to the Annual General Meeting of Shareholders for the year 2021 by considering the appointment of auditors from Karin Audit Co., Ltd. with Ms. Kannika Wipanurat and/or Mr. Jirote Sirirorote and/or Mrs. Sumana Senivongse Na Ayutthaya and/or Mr. Komin Linprachaya and/or Ms. Kochamon Soonhuan to be the Company's auditors for the year 2021. Such auditors are auditors according to the list of auditors approved by the Securities and Exchange Commission.

In summary, the Audit Committee believes that the Company's Financial Report has been prepared in accordance with the Financial Reporting Standards, the related transactions have been made in accordance with the principles of arm's length with normal business conditions, transparency, adequate disclosure of information, as done with other third parties and Risk management and internal control systems are adequate and efficient, and relevant regulations are fully complied.



Dr. Sune Sornchaithanasuk
Chairman of Audit Committees

9. Internal control and Related parties transaction

9.1 The opinion of Borad of Directors on the Internal control of the Company

According to the resolution of the meeting of Board of Directors No.1/2021 on 25 February 2021 with 3 Audit Committees attended the meeting, the Board of Directors has evaluated the adequacy of the internal control of the Company by requesting information from the management which can be concluded that the assessment of internal controls of the Company consists of 5 parts in various fields as follows;

1. Control Environment
2. Risk Assessment
3. Control Activities
4. Information & Communication
5. Monitoring Activities

The Board of Directors has agreed that the Company has the adequate and appropriate internal control system. The Company has provided sufficient personnel to operate the system effectively. The Company's business operations are in line with good corporate governance and transparency. In addition, the Company has provided a monitoring system to oversee the Company's operations to ensure that it can protect the Company's assets from the misuse or without authority of director or executive as well as adequate control system for transactions with conflict-related persons or related parties.

Head of Internal Audit of the Company

The Company has employed P&L International Audit Co., Ltd., an external unit to monitor the Company's internal control system from 2014 to the present. P&L International Audit Co., Ltd., has assigned Miss Sukanya Manolert, Assistant Vice President to be the head of internal audit.

The Board of Directors has considered the quality of Miss Sukanya Manolert and agreed that she has the sufficient quality to perform such duties due to independence. Knowledge, competence and experience in internal audit operations.

Therefore, the consideration and approval of appointment, transfer, dismissal of the head of internal audit of the company must obtain the approval or the agreement of the Audit Committee.

9.2 Details of transaction

In 2021, the Company and its subsidiaries have transactions with people who may have conflicted with the details of the transaction as follows;

Persons who may have conflict	transaction	Transaction Value (Million Baht)			Necessity and rationality of transaction	Opinion of Audit Committee
		2021	2020	2019		
Mr. Prapas Tangadulrat - Chief Executive Officer of the Company, holding 57.15% of the issued shares.	Rental of land and building	0.60	0.60	0.60	The Company has leased land and buildings from Mr. Prapas Tangadulrat to be used as a storage of facility and parking lot of the Company with a 3-year lease period starting 1 July 2019 to 30 June 2022 at the rental rate of 50,000 baht/month (area 1,504 sqm. as 33.24 baht per one sqm.) such rental rate when compared with the area value of the Company, rental of parking spaces in similar areas from third parties which are 1. Mr. Tongdee Busaratetkul with the monthly rental of 25,473.68 baht (area 1,196 sqm. as 21.30 baht per one sqm.), 2. Mrs. Sritong Busaratetkul with the monthly rental of 31,578.95 baht (area 1,196 sqm. as 26.40 baht per one sqm.). the rental which the Company has paid to Mr. Prapas is higher than both persons above due to the rental of showroom with parking and it is located next to the office building of the Company.	It is in accordance with the nature of general trading business. And there is a clear policy for entering into related party transactions. This is the arm's length basis of the business. It complies with the rules of the Stock Exchange of Thailand. and the Company's related-party transaction policy.
	Guarantee of the Company's credit limit - Guarantee of credit limit in the contract - Debt balance at the end of period	83.00 [6.79]	83.00 [6.04]	83.00 [5.13]	The Company has had the agreement of credit limit with Siam Commercial Bank as the working capital in the business. Such credit limit has been guaranteed by Mr. Prapas Tangadulrat in the accordance with the terms and conditions of the commercial bank without the guarantee fee charged from the company's financial leasing. The Company was approved the additional credit limit on 4 April 2018 and terminated the guarantee of credit limit by Mr. Prapas Tangadulrat on 26 August 2019.	

Persons who may have conflict	transaction	Transaction Value (Million Baht)			Necessity and rationality of transaction	Opinion of Audit Committee
		2021	2020	2019		
Mr.Prakit Laoboontharoen - as the Company executive	Consultation fee	0.00	0.44	0.48	RP has employed Mr. Prakit Laoboontharoen to provide the consultation service of sales. Mr. Prakit has good experience and professional in sales, marketing and product of 3D as well as the good relationship with industrial entrepreneurs. Such consultation is used for the benefits of the Company's operation in the monthly employment rate in the contract of 40,000 baht by considering from the remuneration paid to executives in similar levels with the 2 working days (8 days) which are 36,690.91 baht and 39,709.09 baht. In this regard, the Company has used such remuneration because the Company could not find any external consultant in the same responsibilities, although Mr.Prakit Laoboontharoen has the engineering technical position with Prime Design Solutions Company Limited without monthly salary that could not be comparable. The contract between the Company and Mr. Prakit Laoboontharoen has ended on 30 November 2020.	
Magnolia Quality Development Co., Ltd. -Mr.Thanin Pornsithivej Independent Director of the Company Being as a director of Magnolia Quality Development Company Limited	Sales Revenue	0.03	0.06	0.00	The company distributes 3D design software to Magnolia Quality Development Company Limited which is an arm's length basis. In terms of price, it is the same price as sold to Foundry Company Limited and the same terms of trade.	

Measures and procedures to approve the Related Parties Transaction

The Company has imposed measures to enter transactions between the Company and its subsidiaries and related parties, and the Audit Committee shall comment on the necessity, reasonableness and price suitability of the transaction, based on conditions in accordance with the normal trading practices at the market price. This can be compared to the price incurred to third parties. In the event that the Audit Committee does not have the expertise to consider the transactions of the following transactions. The Company shall provide individuals with special knowledge, such as auditors, property appraisals, law firms, etc. which is independent of the Company and those who may have conflicts to comment on such transactions to make the decision of the Audit Committee to allow the Audit Committee to present to the Board of Directors or shareholders as a case.

In addition, the Company and its subsidiaries have imposed measures not to allow executives or stakeholders to participate in the approval of transactions they have directly and indirectly. The Board of Directors shall ensure that the Company shall comply with the Securities and Exchange Commission and the Articles of Association, announcements, orders or requirements of the Capital Market And the Stock Exchange Of Thailand as well as to comply with the disclosure of transactions in the notice of the relevant transaction and the acquisition of significant assets of the Company and its subsidiaries. Moreover, it shall comply with the accounting standards set by the Federation of Accounting Professions under the Royal Patronage and will disclose the transactions between each other in the notes to the financial statements reviewed by the Company's auditors.

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Policies and trends in future Related Parties Transaction

The Company and/or its subsidiaries may continue to make transactions with each other in the future, which will be in accordance with the nature of the general trade business and clearly establish the transaction policy which will be the usual price and trading terms of the business which is similar to the appointment of unrelated individuals and/or companies, such as buying or selling, providing or receiving rental services, guarantees by major shareholders and/or directors, etc. The transactions between the upcoming parties are necessary to conduct the Company's business and/or its subsidiaries and to the benefit of the Company and/or its subsidiaries. The Audit Committee will consider reviewing the compliance and commenting on the reasonableness of the transactions that occur every quarter.

For transactions that do not comply with normal business that may occur in the future, the Company shall conduct an audit committee to review the compliance with the guidelines and show the reasons for such transactions before the Company or its subsidiaries enter such transaction by taking the following measures and procedures to approve the transaction as specified above. However, related parties transactions that may cause a potential conflict of interest in the future. The Board of Directors shall comply with the laws of the Securities and Exchange Commission and the Articles of Association, announcements, orders or requirements of the Capital Market And the Stock Exchange Of Thailand as well as to comply with the disclosure of transactions in the notice of the relevant transaction and the acquisition of significant assets of the Company and its subsidiaries. Moreover, it shall comply with the accounting standards set by the Federation of Accounting Professions under the Royal Patronage.

| Financial Statements



APPLICAD PUBLIC COMPANY LIMITED AND SUBSIDIARIES
CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
DECEMBER 31, 2021
AND INDEPENDENT AUDITOR'S REPORT

Independent Auditor's Report**To the Shareholders of AppliCAD Public Company Limited****Opinion**

I have audited the financial statements of AppliCAD Public Company Limited and its subsidiaries which comprise the consolidated and separate statements of financial position and as at December 31, 2021 and the consolidated and separate statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In my opinion, the consolidated and separate financial statements referred to above present fairly, in all material respects, the financial position of AppliCAD Public Company Limited and its subsidiaries as at December 31, 2021 their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I have conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants as issued by the Federation of Accounting Professions under the Royal Patronage of His Majesty the King as relevant to my audit of the consolidated financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated financial statements of the current period. These matters were addressed in the context of my audit of the consolidated financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Intangible assets**Risk**

Refer to Note 12, other intangible assets during the year 2021 from the Consolidated and Separate Financial Statements. There is an increase amount of 16.84 million baht and 16.81 million baht respective, which was intangible assets during the development as the amount of 15.03 million baht, because the Group has developed platform to connect the product selling and its services, as well as new service in the future. Such record of the intangible assets during the development must be taken into the consideration from management to anticipate such development of platform would benefit to the Group and make the Group earn more in the future. The management has estimated the development period and the period that is expected to begin generating revenue for the Group requiring a lot of effort to evaluate the success of such platform and record the costs incurred to acquire the platform as the asset. Therefore, I believe that the record of intangible assets during the development is significant.

Risk Response of Auditor

My audit procedures responded to the risk referred to the above are as follows:

- I have read the minutes of the meeting, reviewed the approval of the platform development in accordance with the policy of the Group.
- I have reviewed the platform development plan from the feasibility study of the project, target customers expected by the Group, including the expected period of time for the development.
- I have followed up on the minutes of the meeting and reviewed the results of the progress reports of the platform development plan in each meeting period to confirm the success of the project.
- I have considered the possibility of the platform by inquiring the management, following up the platform development plan and regularly evaluating.
- In case of a postponement of the development timeframe, I have reviewed the reasonableness of the postponement and appropriately assessed the success of the project, as well as considered whether the costs incurred from the postponement until the end of the project to be recognized as the intangible assets during the development and also the record previously recognized as intangible assets during the development.
- I have considered the record of intangible assets during the development by separating each platform (phase separation) and the revenue-generating segment.
- I have reviewed the balance of intangible assets during the development that have been recorded in the past, including those added during the period which is still in the assumption of the successful project.

Investments, loans, and other accounts receivables**Risk**

According to Notes 9 and 22 to the financial statements, the Company's assets invested in two subsidiaries are showing indicators of impairment. This was due to the actual operational results fall short of management's expectations, future cash flows that have been discounted to present value must be revalued. and record a loss of 3.27 million baht as an impairment of a subsidiaries investment in a provision for loss on loans of 2.12 million baht by documenting such impact in the separate financial statements. However, a subsidiary's performance has significantly improved. Base on the change of the management has revised predictions their projection of the future cash flows discounted to their present value. As a result, the provision for loss on is reversed at the amount of 5.45 million baht. Such transactions have a substantial impact on the financial accounts for the current period. As a result, I consider the situation to be key audit matter.

Risk Responses of Auditor

My audit procedures responded to the risk referred to above are summarized as follows:

- Compared the greater of recoverable amount adjusted net book value versus book values of investment at the end of accounting period or the present value method of forecasting cash flows that will be received in the future.
- Review the reasonableness of the assumptions made by management in estimating the expected future cash flows discounted to present value.
- Read the minutes of the meeting regarding the expected cash flow projections. To review the reasonableness of the estimates that made by the Company's management.
- Review the operating results after the end of the period and let the management review the estimate as close to the facts as it happened.
- performed calculation test for recording loss on impairment of assets investment in Subsidiaries.

Other matters

The financial statements of Applicad Public Company Limited as at December 31, 2020 are shown as the comparative information audited by other auditors from the same office and also expressed the unconditional opinion according to the report dated February 25, 2021.

Other information

Management is responsible for the other information, including in the annual report but does not include the financial statements and the auditor's report contained in that annual report. I personally believe that the annual report is expected to be delivered to me after the date of this auditor's report.

My audit opinion on the financial statements does not cover other information and I do not make any certainty about any other information.

My responsibility in connection with the audit of the financial statements is to read and consider whether the other information materially conflicts with the financial statements or my knowledge gained from my audit or it appears that other information is a material misstatement.

When I have read the annual report and if I could conclude that there is a material misstatement, I must communicate the matter to those charged with governance so that those charged with governance would take corrective actions against misstatements.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Komin Linphrachaya.

(Mr. Komin Linphrachaya)

Certified Public Accountant (Thailand) No. 3675

Karin Audit Company Limited

Bangkok, Thailand

25 February 2022

APPLICAD PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2021

(Unit : Baht)

		Consolidated		Separate	
		As at	As at	As at	As at
	Notes	31 December 2021	31 December 2020	31 December 2021	31 December 2020
ASSETS					
Current assets					
Cash and cash equivalents	5	360,824,797	362,335,750	346,675,170	349,980,840
Trade and other current receivable	6, 22	84,225,738	69,688,786	74,343,029	63,859,483
Current contract assets	7	87,275,477	59,936,978	85,640,351	58,440,536
Short-term loans	22	-	-	23,287,574	15,432,172
Inventories	8	46,836,003	33,778,054	40,975,541	29,020,782
Current tax assets		1,209,075	1,995,126	-	-
Other current financial assets		1,000,000	-	1,000,000	
Other current assets		702,498	734,706	686,702	661,414
Total current assets		582,073,588	528,469,400	572,608,367	517,395,227
Non-current assets					
Investments in subsidiaries	9	-	-	2,855,532	6,124,202
Non-current contract assets (Cost contract assets)	7	17,067,933	13,021,733	16,510,232	13,021,733
Property, plant and equipment	10	100,796,729	92,644,871	90,020,419	81,699,717
Right of use assets	11	3,614,064	3,613,119	1,800,435	1,808,570
Other intangible assets	12	16,844,557	5,335,328	16,808,846	5,305,011
Deferred tax assets	20	11,498,125	16,288,909	12,583,569	19,419,341
Other non-current assets		1,026,866	1,068,801	422,319	541,329
Total non-current assets		150,848,274	131,972,761	141,001,352	127,919,903
Total assets		732,921,862	660,442,161	713,609,719	645,315,130

APPLICAD PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (CONT.)

AS AT 31 DECEMBER 2021

(Unit : Baht)					
		Consolidated		Separate	
		As at	As at	As at	As at
Notes		31 December 2021	31 December 2020	31 December 2021	31 December 2020
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities					
Trade and other current payables	13	121,132,115	91,818,231	110,657,537	82,990,414
Current contract liabilities	7	170,696,383	151,544,944	167,123,905	147,869,205
Current portion of lease liabilities	14	2,290,607	2,075,490	1,084,734	1,461,013
Corporate income tax payable		3,480,135	3,857,249	2,772,578	3,857,249
Current provisions for employee benefit	15	1,448,132	1,755,354	1,241,854	1,578,090
Total current liabilities		299,047,372	251,051,268	282,880,608	237,755,971
Non-current liabilities					
Lease liabilities	14	1,479,546	1,649,236	780,342	403,965
Non-current contract liabilities	7	29,729,673	27,476,097	29,153,591	27,476,097
Non-current provisions for employee benefit	15	45,245,335	39,895,587	36,973,353	33,086,480
Decommissioning funds obligations		210,000	210,000	-	-
Total non-current liabilities		76,664,554	69,230,920	66,907,286	60,966,542
Total liabilities		375,711,926	320,282,188	349,787,894	298,722,513

APPLICAD PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (CONT.)

AS AT 31 DECEMBER 2021

(Unit : Baht)

	Consolidated		Separate	
	As at	As at	As at	As at
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
Shareholders' equity				
Share capital				
Authorized share capital				
280,000,000 ordinary shares of Baht 0.50 each	140,000,000	140,000,000	140,000,000	140,000,000
Issued and paid share capital				
280,000,000 ordinary shares of Baht 0.50 each	140,000,000	140,000,000	140,000,000	140,000,000
Share Premium (discount) on ordinary shares	146,725,000	146,725,000	146,725,000	146,725,000
Surplus (Deficit) from business combinations				
under common control	954,644	954,644	-	-
Retained earnings				
Appropriated-Legal reserve	14,000,000	10,943,280	14,000,000	10,943,280
Unappropriated	53,767,173	40,364,678	63,096,825	48,924,337
Other components of shareholders' equity	2,014,526	1,689,704	-	-
Total equity attributable to owners of the company	357,461,343	340,677,306	363,821,825	346,592,617
Non-controlling interests	(251,407)	(517,333)	-	-
Total shareholders' equity	357,209,936	340,159,973	363,821,825	346,592,617
Total liabilities and shareholders' equity	732,921,862	660,442,161	713,609,719	645,315,130

APPLICAD PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021

		(Unit : Baht)			
	Notes	Consolidated		Separate	
		2021	2020	2021	2020
Revenue					
Revenue from sales		460,153,294	365,430,562	417,664,678	340,382,654
Revenue from services		324,460,839	282,559,087	283,538,532	246,603,628
Other income		14,292,615	10,132,187	17,442,250	13,960,998
Total revenue		798,906,748	658,121,836	718,645,460	600,947,280
Expenses					
Cost of sales		(288,985,550)	(206,335,822)	(264,208,430)	(194,550,870)
Costs of rendering of services		(153,884,035)	(131,717,364)	(127,935,653)	(109,885,061)
Distribution costs		(173,860,402)	(162,473,789)	(155,061,285)	(149,515,535)
Administrative expenses		(100,312,225)	(100,180,625)	(88,042,033)	(84,786,755)
Finance costs		(330,069)	(340,761)	(177,817)	(185,098)
Total expenses		(717,372,281)	(601,048,361)	(635,425,218)	(538,923,319)
Profit (loss) before income tax expenses		81,534,467	57,073,475	83,220,242	62,023,961
Tax income (expense)	20	(22,809,326)	(12,091,952)	(23,991,034)	(12,024,941)
Profit (loss) for the period		58,725,141	44,981,523	59,229,208	49,999,020
Other comprehensive income :					
Components of other comprehensive income that will be reclassified to profit or loss :					
Exchange differences on translating financial statement		324,822	(252,751)	-	-
Total components of other comprehensive income that will be reclassified to profit or loss		324,822	(252,751)	-	-
Components of other comprehensive income that will not be reclassified to profit or loss					
Gains (losses) on remeasurement of defined benefit plans		-	-	-	-
Total components of other comprehensive income that will not be reclassified to profit or loss		-	-	-	-
Total comprehensive income (expense) for the period		59,049,963	44,728,772	59,229,208	49,999,020
Profit (loss) attributable to :					
Owners of parent		58,459,215	44,996,940	59,229,208	49,999,020
Non-controlling Interests		265,926	(15,417)	-	-
		58,725,141	44,981,523		
Total comprehensive income (expense) attributable to :					
Owners of parent		58,784,037	44,744,189	59,229,208	49,999,020
Non-controlling Interests		265,926	(15,417)	-	-
		59,049,963	44,728,772		
Basic earnings (loss) per share					
Profit (Loss) (Baht per share)	21	0.21	0.16	0.21	0.18

APPLICAD PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021

Consolidated												(Unit : Baht)
Equity attributable to owners of the Company's shareholders												
Notes	Issued and paid share capital	Share Premium (discount) on ordinary shares	Deficit from business combinations under common control	Retained earnings		Financial statement conversion	Other components of shareholders' equity			Total shareholders' equity of parent company	Non-controlling Interests	Total shareholders' equity
				Appropriated	Unappropriated		on remeasurements of defined employee benefit plans	Surplus from change in shareholding percentage in subsidiaries	Total other components of shareholders' equity			
Beginning balance as at 1 January 2020	140,000,000	146,725,000	954,644	8,443,280	25,867,738	582,451	-	1,360,004	1,942,455	323,933,117	(501,916)	323,431,201
Dividend	-	-	-	-	(28,000,000)	-	-	-	-	(28,000,000)	-	(28,000,000)
Total comprehensive income (expense) for the year	-	-	-	-	44,996,940	(252,751)	-	-	(252,751)	44,744,189	(15,417)	44,728,772
Other- Capital reserves legal	-	-	-	2,500,000	(2,500,000)	-	-	-	-	-	-	-
Ending balance as at 31 December 2020	140,000,000	146,725,000	954,644	10,943,280	40,364,678	329,700	-	1,360,004	1,689,704	340,677,306	(517,333)	340,159,973
Dividend	-	-	-	-	(42,000,000)	-	-	-	-	(42,000,000)	-	(42,000,000)
Total comprehensive income (expense) for the year	-	-	-	-	58,459,215	324,822	-	-	324,822	58,784,037	265,926	59,049,963
Other- Capital reserves legal	-	-	-	3,056,720	(3,056,720)	-	-	-	-	-	-	-
Ending balance as at 31 December 2021	140,000,000	146,725,000	954,644	14,000,000	53,767,173	654,522	-	1,360,004	2,014,526	357,461,343	(251,407)	357,209,936

APPLICAD PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (CONT.)
FOR THE YEAR ENDED 31 DECEMBER 2021

		Separate						(Unit : Baht)	
		Share Premium		Other components of shareholders' equity					
Notes	Issued and paid share capital	Share Premium (discount) on ordinary shares	Retained earnings		Gains (losses) on remeasurements of defined employee benefit plans	Total other components of shareholders' equity	Total shareholders' equity		
			Appropriated	Unappropriated					
Beginning balance as at 1 January 2020	140,000,000	146,725,000	8,443,280	29,425,317	-	-	-	324,593,597	
Dividend	-	-	-	(28,000,000)	-	-	-	(28,000,000)	
Total comprehensive income (expense) for the year	-	-	-	49,999,020	-	-	-	49,999,020	
Other - Capital reserves legal	-	-	2,500,000	(2,500,000)	-	-	-	-	
Ending balance as at 31 December 2020	140,000,000	146,725,000	10,943,280	48,924,337	-	-	-	346,592,617	
Dividend	-	-	-	(42,000,000)	-	-	-	(42,000,000)	
Total comprehensive income (expense) for the year	-	-	-	59,229,208	-	-	-	59,229,208	
Other - Capital reserves legal	-	-	3,056,720	(3,056,720)	-	-	-	-	
Ending balance as at 31 December 2021	140,000,000	146,725,000	14,000,000	63,096,825	-	-	-	363,821,825	

APPLICAD PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

		(Unit : Baht)			
		Consolidated		Separate	
	Notes	2021	2020	2021	2020
Cash flows from operating activities					
Profit (loss) before income tax for the year		81,534,467	57,073,475	83,220,242	62,023,961
Adjustment of profit (loss) on cash received (paid)					
Adjustment on Financial Cost		330,069	340,760	177,817	185,099
Adjustment on Trade and other current receivable (increase) decrease		(41,439,296)	(15,893,120)	(35,089,005)	(19,073,004)
Adjustment on Trade from other operating activities (increase) decrease		(4,046,200)	-	(3,488,498)	-
Adjustment on Inventories (increase) decrease		(14,100,721)	(11,494,645)	(12,673,612)	(9,831,270)
Adjustment on Other assets (increase) decrease		199,830	(667,188)	(208,909)	(504,936)
Adjustment on Trade and other current account payable increase (decrease)		48,631,489	16,953,119	47,087,975	15,318,364
Adjustment on Trade from other operating activities increase (decrease)		2,253,576	-	1,677,494	-
Depreciation Depletion and Amortization charge	10,11,12	19,519,427	17,711,742	15,143,017	13,340,441
Adjustment on Impairment loss recognized in profit or loss (Reverse)	9	-	-	3,268,670	-
Adjustment on Reduction of inventories to net realisable value (Reverse)	8	1,042,772	1,259,933	718,854	1,291,201
Adjustment on Provisions liabilities (Reverse)	15	5,736,997	5,536,401	4,248,469	3,964,472
Adjustment on Unrealized Loss (Gain) on exchange rate		(166,166)	12,138	(166,153)	12,504
Adjustment Bad debts and allowance for doubtful accounts (Reverse)	6, 22	(435,402)	1,622,614	(5,302,723)	1,878,491
Adjustment on Loss (Gain) from sales of non-current assets					
- Property, plan and equipment	10	(660,188)	(381,094)	(660,188)	(1,063,761)
Other Adjustment on Cash generated from investments		(656,867)	(85,424)	(1,288,133)	(83,844)
Other Adjustment - Amortization assets	10	30,075	-	29,404	-
Cash provided from (used in) operating activities		97,773,862	71,988,711	96,694,721	67,457,718
Interest income		659,476	-	658,076	-
Income tax recoverable (paid out)		(17,609,605)	(11,174,748)	(18,239,933)	(11,263,557)
Cash received (paid) from other activities					
- Provision foremployee benefits	15	(697,832)	(721,214)	(697,832)	(721,214)
Net cash provided from (used in) operating activities		80,125,901	60,092,749	78,415,032	55,472,947
Cash flows from investing activities					
Cash received from the sale of property, plan and equipment	10	692,495	703,774	692,495	1,367,956
Cash paid for purchase of property, plan and equipment	10	(23,809,970)	(17,088,868)	(21,109,489)	(14,653,157)
Cash paid for purchase of intangible assets	12	(12,320,863)	(3,587,216)	(12,263,151)	(3,554,382)
Advance payments and loans to other persons or related parties	22	-	-	(7,335,000)	(5,000,000)
Cash received from advance payment and loans to other persons or related parties	22	-	-	3,447,326	5,116,666
Interest income	22	-	257,338	79,326	830,534
Cash (paid) from other investing activities financial assets		(1,000,000)	-	(1,000,000)	-
Net cash flows provided from (used in) investing activities		(36,438,338)	(19,714,972)	(37,488,493)	(15,892,383)

APPLICAD PUBLIC COMPANY LIMITED AND SUBSIDIARIES
 STATEMENTS OF CASH FLOWS (CONT.)
 FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	(Unit : Baht)			
		Consolidated		Separate	
		2021	2020	2021	2020
Cash flows from financing activities					
Cash paid for lease liabilities	14	(3,523,338)	(3,459,969)	(2,232,209)	(2,168,843)
Dividend	17	(42,000,000)	(28,000,000)	(42,000,000)	(28,000,000)
Net cash flows provided from (used in) financing activities		(45,523,338)	(31,459,969)	(44,232,209)	(30,168,843)
Cash and cash equivalents increase (decrease) before exchange rate effects		(1,835,775)	8,917,808	(3,305,670)	9,411,721
Impact of exchange rate on cash and cash equivalents		324,822	(252,751)	-	-
Net increase (decrease) in cash and cash equivalents		(1,510,953)	8,665,057	(3,305,670)	9,411,721
Cash and cash equivalents - beginning balance (Notes 5)		362,335,750	353,670,693	349,980,840	340,569,119
Cash and cash equivalents - ending balance (Notes 5)		360,824,797	362,335,750	346,675,170	349,980,840

Additional information for cash flows

- For the purpose of preparing the statement of cash flows, cash and cash equivalents items include cash in hand and cash at banks and short-term investment in promissory notes which are due within 3 months.
- During the year 2021, the company has agreement land which was the financial lease in the consolidated and separate financial statements amount of Baht 2.05 million.
- During the year 2021, the group has agreement building, has financial lease in the consolidated financial statements in the amount of Baht 1.19 million.

NOTES TO THE FINANCIAL STATEMENTS**31 DECEMBER 2021****1. GENERAL INFORMATION**

1.1. AppliCAD Public Company Limited, previously named ("AppliCAD Company Limited") The Company registered to be a public company limited on 7 December 2018, registration number 0107561000471. The company was established the Company Limited in Thailand. The Company's main business is sale of computer programs and maintenance services for computer programs, machines and equipment to design and develop other related products and services. By the registered address is 69 Soi Sukhumvit 68, Sukhumvit Road, Bangna-nuea, Bangna, Bangkok 1026F0.

1.2. EPIDEMIC OF COVID - 19

The current situation of the covid - 19 epidemic has been continuously expanding. Causing the economic downturn and affecting most businesses and industries which may lead to instability and impact on the business environment. The Group's management has continuously monitored the progress of the above situation and assessed the financial impact of assets, provisions for liabilities and contingent liabilities. The management uses estimates and judgments on various matters when the situation changes.

2. BASIS FOR FINANCIAL STATEMENTS PREPARATION AND PRINCIPLES OF CONSOLIDATED FINANCIAL STATEMENTS**2.1. BASIS FOR FINANCIAL STATEMENTS PREPARATION**

The financial statements have been prepared in accordance with Thai generally accepted accounting principles under the Accounting Act B.E. 2543, being those Thai Financial Reporting Standards issued under the Accounting Profession Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act.

The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with Thai generally accepted accounting principles requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

The financial statements in English language have been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or interpretation in two different languages, the Thai version of the financial statements shall main.

APPLICAD PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2021

2.2. BASIS OF CONSOLIDATION FINANCIAL STATEMENTS

- A) The consolidated financial statements include the financial statements of AppliCAD Public Company Limited and the subsidiary has control or holds more than 50 percent of the shares with voting rights as follows:

Company's name	Nature of business	Country of incorporation	Nature of business shareholding (%)	
			As at 31 December 2021	As at 31 December 2020
Deti Co., Ltd.	Training of computer program	Thailand	99.98	99.98
Rabbit Prototype Co., Ltd.	Hired the production of works pieces	Thailand	100.00	100.00
PT Indonesia Applicad Co., Ltd.	Distribution of computer program	Indonesia	67.00*	67.00*

* The Company owns 180,900 PT Indonesia Applicad Company Limited shares, or 67 percent of the company's total issued shares. According to the Articles of Association of PT Indonesia AppliCAD Company Limited, which the Company owns, it is entitled to receive dividends at a rate of 95% of PT. Indonesia AppliCAD's declared dividends. It is used in the consolidation of financial accounts The corporation is thought to have invested 95 percent of the total shares.

- B) The Company has combined the subsidiaries financial statements in the consolidated financial statements since the date that the Company has the authority to control in the subsidiaries until the end of that authority.
- C) The subsidiaries financial statements have been prepared by using the significant accounting policies which are the same as the Company.
- D) The assets and liabilities of the subsidiaries financial statements established in the foreign country has changed the currency into Baht at the end of the reporting period. Moreover, the revenues and expenses have changed into Baht as the monthly average which its difference of the exchange rate is shown as the difference from convention of the financial statements in foreign currencies in the statement of changes in shareholders' equity.
- E) The outstanding balances between the Company and its subsidiaries, the significant intercompany transactions have been eliminated from the consolidated financial statements.

NOTES TO THE FINANCIAL STATEMENTS**31 DECEMBER 2021**

- F) The equity of non-controlling stakeholder is the profit or loss and the net assets of the subsidiary that is not a part of the Company and it is shown separately in the consolidated profit or loss and the shareholders equity is shown in the consolidate financial statements.

The Company has prepared the financial statements for the benefits of the public by showing the investment in its subsidiaries as the cost method.

The transections with its subsidiaries that matter have already been deducted from the consolidated financial statements.

The consolidated financial statements have been prepared with the same accounting policies for the separate financial statements for the same accounting transactions or accounting events.

2.3. NEW FINANCIAL REPORTING STANDARDS

- A) Financial reporting standards that became effective in the current period.

During the period, the Group has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Group's financial informaion.

- B) Financial reporting standards that will became effective for fiscal years beginning on or after 1 January 2022

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and, for some standards, providing temporary reliefs or temporary exemptions for users.

The management of the Group is currently in process of evaluating the plan to be executed and considering the impact of these standards on the financial statements in the year when they are adopted.

APPLICAD PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

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3. SIGNIFICANT ACCOUNTING POLICIES

3.1. Revenue recognition

Revenue from sales

Revenue from sales is recognised at the point in time when control of the asset is transferred to the customer. Sales are the invoiced value, excluding value added tax, of goods supplied after deducting discounts and allowances.

Revenue arrangements with multiple deliverables are allocated between the element in proportion to the delivered products and the obligations to be performed in providing services that are included in the contract using the basis of standalone selling prices of different products or services as obligated in the contract.

The recognised revenue which is not yet due per the contracts has been presented under the caption of “Contract asset” in the statement of financial position. The amounts reclassified to other receivables when the Company right to consideration is unconditional.

The obligation to provide to a customer have received from the customer is presented under the caption of “Contract liability” in the statement of financial position. Contract liabilities are recognised as revenue when the Company perform under the contract.

Reevnue from service

Revenue from services is recognised when the company and its subsidiaries has provided the service, by consider the stage of completion which is calculated in accordance with the total cost of service incurred to the total eatimated cost that will be used inproviding in service under the contract.

3.2. Cash and cash equivalents

Cash and cash equivalents are cash and bank deposits and short-term investments with high liquidity which is due to be repaid within a period of not more than 3 months from the date of acquisition and there are no restrictions on withdrawal.

3.3. Financial instruments

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

NOTES TO THE FINANCIAL STATEMENTS

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Financial assets at amortised cost

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

3.4. Inventory

Inventories are stated at cost. (First in first out method) or net realizable value whichever is lower. The cost of purchase includes the purchase price and expenses directly related to the purchase of goods, such as import duties and transportation charges, less a discount of payment terms. And other discount Net realizable value is the estimate of the selling price in the ordinary course of business, less estimated costs to sell.

3.5. Short-term loans

Short-term loans into the company separate financial statements shown the cost and less impairment. (if any)

3.6. Investments

Investments in subsidiaries companies into the company separate financial statements shown the cost and less impairment. (if any)

3.7. Property, plant and Leasehold improvements and equipment and Depreciation

Leasehold improvements and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any)

Depreciation of plant and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Buildings	24 - 28 years
Leasehold improvements	5, 10, 20 years
Furniture, fixtures and office equipment	3, 4, 5 years
Tools and Equipment	5, 10 years
Motor vehicles	5 years

Depreciation included in the calculation of performance.

No depreciation is provided on land and assets under installation

The Company and its subsidiaries, leasehold improvements and equipment are derecognised from the accounts upon disposal or when no expected future economic benefit from its use or disposal. Any gain or loss on

APPLICAD PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2021

disposal are recognized in profit or loss when the Company and its subsidiaries assets derecognised from the accounts.

3.8. Leases

At inception of contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company assesses the lease term for the non-cancellable period as stipulated in lease contract or the remaining period of active leases together with any period covered by an option to extend the lease if it is reasonably certain to be exercised or any periods covered by an option to terminate the lease if it is reasonably certain not to be exercise by considering the effect of changes in technology and/or the other circumstance relating to the extension of the lease term.

The Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e., the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use the underlying assets and lease liabilities based on lease liabilities based on lease payments.

A) Right of use assets

Right-of-use assets are measured at cost, less any accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received.

The cost of right-of-use assets also includes an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Depreciation of right-of-use assets are calculated by reference to their costs on a straight-line basis over the shorter of their estimated useful lives and the lease term, as follows:

The Right-of-used-land	2 - 3 years
The Right-of-used-building rental area	3 years

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B) Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate, which is determined by referring to the government bond yield adjusted with risk premium depending on the lease term, at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

C) Short-term leases and leases of low-value assets

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

3.9. Intangible assets and amortizations

Intangible assets which is computer software are shown the values as the costs deducted the accumulated amortizations and the allowance for impairment of assets (if any).

The Company and its subsidiaries amortized the computer softwares as the straight-line method throughout the useful life approximately about 4 - 5 years. The amortization is including in the performance calculations.

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use;
- management intends to complete the software product and use or sell it;
- there is an ability to use or sell the software product;
- it can be demonstrated how the software product will generate probable future economic benefits;

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- adequate technical, financial and other resources to complete the development and to use or sell the software product are available;
- the expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of relevant overheads.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

The expense of developing a computer software Because it is still in development, there is no amortization of intangible assets.

3.10. Business transactions with related parties

The related parties with the Company mean the people or the company has control or controlled the Company, either directly or indirectly, or under the same control as the Company.

In addition, the related parties include the associated companies and the people which have the rights to vote both directly or indirectly also have significant influence on the Company management, directors or employees of the Company has a power to plan and control the operations of the Company.

3.11. Foreign currencies

The Company has presented the consolidated and separate financial statements in Thai Baht, which is the currency used in the operation of the company. The transactions of each business included in the consolidated financial statements are measured by the currency used in the operation of each business.

The foreign currency transactions are converted into Thai Baht by using the exchange rate at the date of the transaction. The monetary assets and liabilities denominated in foreign currencies are converted into Thai Baht by using the exchange rate at the end of the period.

The profits and losses arising from the changes in exchange rate are included in the calculation of operating performance.

3.12. Impairment of assets

At the end of the reporting period, the Company and its subsidiaries will evaluate the impairment of leasehold improvement and equipment or other intangible assets and investments of the Company. If there is any indication such of assets may be impaired, the Company and its subsidiaries recognize the impairment losses when the recoverable amount of the assets is lower than the book value of that asset. The recoverable amount is the fair value deducted costs to sell and the value of the assets, whichever is higher.

The Company and its subsidiaries will recognize the impairment losses in profit or loss.

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3.13. Provision for employee benefits*Short-term employee benefits*

The Company and its subsidiaries record salaries, wages, bonus and contributions to the social security fund are recognised as expenses when incurred.

After employee benefits and long other employee benefits

Defined contribution plans

The Company and its subsidiaries and employee have set up a provident fund. The provident fund is funded by payments from employees and by the Company. The monthly payments, of which the assets are held in a separate trust fund. The Company contributions to the provident fund are charged to profit or loss in the years to which they relate.

Actuarial gains and losses arising from other long-term benefits are recognised immediately in profit or loss.

The Company have obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company treat these severance payment obligations as a defined benefit plan. In addition, the Company and its subsidiaries have other long-term employee benefits plan such as the term performance award program.

The Company and its subsidiaries calculate liabilities under employee post-employment benefit plan and other long-term employee benefits plan. By a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

The results of profits and losses arising from the actuarial science for the employee' benefits after leaving are recognized immediately in the other comprehensive income statements.

The results of profits and losses arising from the actuarial science for the other long-term benefit plans, employees are recognized immediately in the profit and losse statements.

The liabilities of employee benefit plans after leaving and the liabilities of the other long-term benefit plans comprise of the present value of obligations under thr defined benefit plans which is deducted by the unperceived costs of service in the past and the unperceived actuarial profits or losses.

3.14. Provisions

Provisions are recognised when the Company and its subsidiaries has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

3.15. Income taxes

The income taxes comprise of the current income taxes and the deferred income taxes.

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NOTES TO THE FINANCIAL STATEMENTS

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The current income taxes

The Company and its subsidiaries record the the current income taxes as the expected amount to be paid to the tax authorities' government by calucating of the taxable income in accordance with the tax law.

The deferred income taxes

The Company and its subsidiaries record the the deferred income taxes of the temporary differences between the carrying amounts of assets and liabilities as the end of the reporting period the taxes based of the assets and the liabilities concerned.

The Company and its subsidiaries recognize the deferred income tax liabilities of the temporary differences of all taxable lists but recognize of the deferred tax assets for the deductible temporary tax differences including the tax losses which have not been used as the number of possibilities for the Company and its subsidiaries to receive the sufficient future taxable profits to take the advantages of the temporary differences between the taxes and the unused tax losses.

The Company and its subsidiaries will review the book value of the deferred tax assets at the end of the reporting period and will reduce the book value thereof. If there is the possibility of the Company and its subsidiaries have not the sufficient taxable profits for the deferred tax assets completely or partially for utilization.

The Company and its subsidiaries will record the deferred taxes directly to the shareholder's equity if the taxes relate to the transections that are recorded directly to shareholder's equity.

4. DISCRETION AND ESTIMATION OF SIGNIFICANT ACCOUNTING

In order to prepare the financial statements in accordance with the Financial Reporting Standards, the management has to inherently use the discretion and estimation about the uncertainties. The discretion and estimation above will affect the amounts shown in the financial statements and the information presented in the notes to the financial statements.

Determining the lease term with extension and termination options - The Group as a lessee

In determining the lease term, the management is required to exercise judgment in assessing whether the Group is reasonably certain to exercise the option to extend or terminate the lease, considering all relevant factors and circumstances that create an economic incentive for the Group to exercise either the extension or termination option. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to extend or to terminate.

NOTES TO THE FINANCIAL STATEMENTS**31 DECEMBER 2021****Allowance for expected credit losses of trade receivables and contract assets**

In determining an allowance for expected credit losses of trade receivables and contract assets, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Group's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

Allowances for impairment of products

To provide the financial statements showing the real value of inventories and the Company's operating performances, the Company has reconsidered the policy guidelines for impairment of inventories to cover all types of products as the finished products, spare parts and consumables by considering the book value of the assets above which higher than the value of products that are expected to be returned including the impairment of such the assets according to the age of holding dept for a long time and no movement in some cases.

Leasehold improvements and equipment and depreciation

In calculating the depreciation of leasehold improvements and equipment, the management is required to estimate the useful life and the residual values after using of leasehold improvements and equipment and has to review the useful life and the residual value if the changes occur.

Moreover, the management is required to review the depreciation of the leasehold improvements and equipment in each period and they have to record the losses from the impairments that are expected to be lower than the book value of such the assets. In this case, the management is required to use the discretion related the forecast of the future incomes and expenses associated with the assets.

Allowance for impairment of investments in subsidiaries

In the estimation of allowance for impairment of investments in subsidiaries, management considers the information of losses from the previous operating and other factors. By using the principle of caution in determining such impairment.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company and its subsidiaries apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company and its subsidiaries measure fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

APPLICAD PUBLIC COMPANY LIMITED AND SUBSIDIARIES

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All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Company and its subsidiaries determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

Deferred tax assets

The Company and its subsidiaries will perceive the deferred tax assets of the temporary differences for the tax deductions and the unused tax losses when there is the possibility that the Company and its subsidiaries will receive the sufficient future taxable profits to take the advantages of the temporary differences and the losses. In this case, the management is required to estimate how much of the deferred tax assets that the Company and its subsidiaries should perceive by considering the amount of the profit taxes that are expected to happen in the future in each period.

Post-employment benefits after leaving under defined benefit plans and other long-term benefits

The provisions under the defined benefit plans after the employees leave and the other long-term benefit plans are estimated as the actuarial science which requires the various assumptions such as the discount rates, the salary increase rates, the mortality rates and the future changes in the number of employees.

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as at 31 December 2021 and at 31 December 2020 comprise the following:

	(Unit : Baht)			
	Consolidated		Separate	
	As at	As at	As at	As at
	31 December	31 December	31 December	31 December
	2021	2020	2021	2020
Cash	2,647	17,438	-	-
Deposits	360,822,150	362,318,312	346,675,170	349,980,840
Total Cash and Cash equivalents	360,824,797	362,335,750	346,675,170	349,980,840

As at 31 December 2021, cash at banks - saving accounts carry interest at the rates of 0.05 - 0.40 per annum (2020: rates 0.05 - 0.40 per annum)

NOTES TO THE FINANCIAL STATEMENTS

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6. TRADE AND OTHER CURRENT RECEIVABLES

Trade and other current receivables as at 31 December 2021 and at 31 December 2020 comprise the following:

(Unit : Baht)				
	Consolidated		Separate	
	As at	As at	As at	As at
	31 December	31 December	31 December	31 December
	2021	2020	2021	2020
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates not yet due				
Undue	-	-	39,776	10,593
Overdue				
Less than 3 months	-	-	1,763,592	292,899
Over 3 months to 6 months	-	-	16,816	134,538
Over 6 months to 12 months	-	-	-	549,781
Over 12 months	-	-	-	1,603,261
Total	-	-	1,820,184	2,591,072
<u>Less</u> Expected credit loss	-	-	(834,009)	(2,414,158)
Total trade receivables - related parties	-	-	986,175	176,914
<u>Trade receivables - non related parties</u>				
Aged on the basis of due dates not yet due				
Undue	58,066,524	46,566,048	52,863,215	41,130,363
Overdue				
Less than 3 months	15,938,345	15,223,038	12,831,911	14,758,495
Over 3 months to 6 months	618,122	324,959	59,289	324,959
Over 6 months to 12 months	790,544	109,141	13,427	109,141
Over 12 months	406,067	213,771	-	213,771
Total	75,819,602	62,436,957	65,767,842	56,536,729
<u>Less</u> Expected credit loss	(1,306,856)	(1,829,365)	(918,249)	(1,147,535)
Total trade receivables - unrelated parties	74,512,746	60,607,592	64,849,593	55,389,194

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	(Unit : Baht)			
	Consolidated		Separate	
	As at	As at	As at	As at
	31 December	31 December	31 December	31 December
	2021	2020	2021	2020
Other receivables - related parties	-	-	372,508	653,942
<u>Less</u> Expected credit loss	-	-	(191,492)	(433,464)
Net	-	-	181,016	220,478
Other receivables - unrelated parties	9,800,099	9,081,194	8,413,352	8,072,897
<u>Less</u> Expected credit loss	(87,107)	-	(87,107)	-
Net	9,712,992	9,081,194	8,326,245	8,072,897
Total trade and other current receivables	<u>84,225,738</u>	<u>69,688,786</u>	<u>74,343,029</u>	<u>63,859,483</u>

Expected credit loss for accounts receivable has changed as follows:

	(Unit : Baht)			
	Consolidated		Separate	
	As at	As at	As at	As at
	31 December	31 December	31 December	31 December
	2021	2020	2021	2020
Beginning balance	(1,829,365)	(206,751)	(3,995,157)	-
Increase	-	(1,853,583)	-	(3,995,157)
Decrease	435,402	230,969	1,964,300	-
Ending balance	<u>(1,393,963)</u>	<u>(1,829,365)</u>	<u>2,030,857</u>	<u>(3,995,157)</u>

During in the year 2021 and 2020 an expected credit loss has decreased because the company's group has received debts.

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7. Contract assets/Contract liabilities

Contract assets/Contract liabilities as at 31 December 2021 and at 31 December 2020 comprise the following:

	(Unit : Baht)			
	Consolidated		Separate	
	As at	As at	As at	As at
	31 December	31 December	31 December	31 December
	2021	2020	2021	2020
Contract assets				
Unbilled receivables	648,957	411,583	648,957	238,000
Prepaid service cost	103,694,453	72,547,128	101,501,626	71,224,269
Total contract assets	104,343,410	72,958,711	102,150,583	71,462,269
Current contract assets	(87,275,477)	(59,936,978)	(85,640,351)	(58,440,536)
Non-current contract assets	17,067,933	13,021,733	16,510,232	13,021,733
Contract liabilities				
Deferred Incomes	200,426,056	179,021,041	196,277,496	175,345,302
Total contract liabilities	200,426,056	179,021,041	196,277,496	175,345,302
Current contract liabilities	(170,696,383)	(151,544,944)	(167,123,905)	(147,869,205)
Non-current contract liabilities	29,729,673	27,476,097	29,153,591	27,476,097

- Unbilled receivables

As at 31 December 2021, the group company has amount of unbilled income 0.65 million baht (separate amount: 0.65 million baht) and the expected billed income in 1 year.

- Related income contract balance

In the year 2021, the group company know that opening amount of lease agreement to income 151.54 million baht (separate amount: 147.87 million baht)

- Expected revenue to be recognized for unsuccessful obligations

As of 31 December 2021, the Group expects to realize future revenues for contractual obligations with customers that have not yet performed or not completed amount Baht 200.43 million. (Separate financial statements: amount Bath 196.28 million.) which the Group expects to complete the obligations under the said contract within 4 years and 2 months.

APPLICAD PUBLIC COMPANY LIMITED AND SUBSIDIARIES

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8. INVENTORIES

Inventories as at 31 December 2021 and at 31 December 2020 comprise the following:

(Unit : Baht)

	Consolidated					
	Cost		Adjustment of cost deduction to net realizable value		Inventories - Net	
	As at	As at	As at	As at	As at	As at
	31 December	31 December	31 December	31 December	31 December	31 December
	2021	2020	2021	2020	2021	2020
Material	1,423,018	1,586,015	-	-	1,423,018	1,586,015
Work in process	1,162,318	680,551	-	-	1,162,318	680,551
Finished goods	38,582,375	29,488,592	(4,752,235)	(3,709,463)	33,830,140	25,779,129
Good in Transit	10,420,527	5,732,359	-	-	10,420,527	5,732,359
Total	51,588,238	37,487,517	(4,752,235)	(3,709,463)	46,836,003	33,778,054

(Unit : Baht)

	Separate					
	Cost		Adjustment of cost deduction to net realizable value		Inventories - Net	
	As at	As at	As at	As at	As at	As at
	31 December	31 December	31 December	31 December	31 December	31 December
	2021	2020	2021	2020	2021	2020
Finished goods	34,812,989	26,827,544	(4,257,975)	(3,539,121)	30,555,014	23,288,423
Good in Transit	10,420,527	5,732,359	-	-	10,420,527	5,732,359
Total	45,233,516	32,559,903	(4,257,975)	(3,539,121)	40,975,541	29,020,782

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Allowance for impairment of consumables and inventories has been changed during the years as follows:

	(Unit : Baht)			
	Consolidated		Separate	
	As at	As at	As at	As at
	31 December	31 December	31 December	31 December
	2021	2020	2021	2020
Beginning balance	(3,709,463)	(2,449,530)	(3,539,121)	(2,247,920)
Increase	(1,042,772)	(1,291,201)	(718,854)	(1,291,201)
Decrease	-	31,268	-	-
Ending balance	(4,752,235)	(3,709,463)	(4,257,975)	(3,539,121)

Consolidated

During the year 2021, the Company recorded a decrease in cost of inventories to net realizable value of amount of Baht 1.04 million (as at 31 December 2020: amount of Baht 1.29 million) as part of cost of goods sold and reversed the allowance for diminution in value of inventories (as at 31 December 2020: amount of Baht 0.03 million), by deducting from the value of inventories recognized as cost of sales during the year.

Separate

During the year 2021, the Company recorded a decrease in cost of inventories to net realizable value of amount of Baht 0.72 million (as at December 31, 2020: amount of Baht 1.29 million) as part of cost of goods sold by deducting from the value of inventories recognized as cost of sales during the year.

9. INVESTMENTS IN SUBSIDIARIES

Investment in subsidiaries as presented in separate financial as at 31 December 2021 comprise the following:

Company's name	Percentage of shareholding	Paid-up share capital	Cost	(Unit : Baht)		
				Impairment	Total investment in subsidiaries - Net	Non-controlling interests
				loss on investments		
Deti Co., Ltd.	99.98	1,000,000	1,123,675	(1,123,675)	-	-
Rabbit Prototype Co., Ltd.	100.00	5,000,000	5,000,527	(2,144,995)	2,855,832	-
PT Indonesia AppliCAD Co., Ltd	67.00*	270,000 USD	6,111,736	(6,111,736)	-	(251,407)
Total					2,855,832	(251,407)

Investment in subsidiaries as presented in separate financial as at 31 December 2020 comprise the following:

APPLICAD PUBLIC COMPANY LIMITED AND SUBSIDIARIES

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(Unit : Baht)

Company's name	Percentage of shareholding	Paid-up share capital	Cost	Impairment	Total investment in subsidiaries - Net	Non-controlling interests
				loss on investments		
Deti Co., Ltd.	99.98	1,000,000	1,123,675	-	1,123,675	-
Rabbit Prototype Co., Ltd.	100.00	5,000,000	5,000,527	-	5,000,527	-
PT Indonesia						
AppliCAD Co., Ltd	67.00*	270,000 USD	6,111,736	(6,111,736)	-	(517,333)
Total					6,124,202	(517,333)

*The Company owns 180,900 shares of PT. Indonesia AppliCAD's Series B, accounting for 67 percent of the company's total issued shares. The Company's Series B shares will be entitled to a dividend at a rate of 95 percent of the dividend announced by PT. Indonesia AppliCAD, as provided in the Company's Articles of Association.

According to the Board of Directors Meeting No. 4/2018 held on 7 August 2018, it was decided to approve the change in shareholding in PT. Applicad Indonesia (APP Indo) from 99 percent to 67 percent in order to comply with the Indonesian law changes regarding foreign ownership stakes in distribution businesses. The Company has appointed a legal counsel to ensure that the maximum percentage of foreign owners is not more than 67 percent of the total number of shares sold (Distributor's sale not associated with production). To advise the company on how to comply with such rules and regulations. It will be able to keep the same level of control and benefits from APP Indo as previously.

In this context, the legal counsel has advised APP Indo to reclassify the company's shares as follows:

Shareholder	Type	No. of Shares	%
Mr. Ibnu Afi Sena (Local Shareholder)	Series A Shares	89,100	33.00
Applicad Co., Ltd	Series B Shares	180,900	67.00
Total Shares		270,000	100.00

Series B shareholders have the right to receive dividends before Series A shareholders at a rate of 95% of APP Indo's payouts. To clarify the structure of APP Indo's shareholders, it is proposed that the meeting consider and approve the sale of 89,100 shares, or 33 percent of the total issued shares of APP Indo, which are Series A shares with a 5 percent dividend right and the portion to be held by Indonesian shareholders, to Mr. Ibnu Afi Sena at a price of USD 13,500, which reflects the right to receive dividends of such shares.

NOTES TO THE FINANCIAL STATEMENTS**31 DECEMBER 2021**

During the year 2021, An administrative of company has revision allowance of investment of subsidiaries. So, an allowance pf investment of subsidiaries that has estimated receivable mount of discount of cash flow to the present. Then an administrative has judgment and significant estimate amount allowance of investment of subsidiaries. However, the receivable amount does not have loans account takes into account the allowance of investment of subsidiaries of Deti Co., Ltd. amount of Baht 1.12 million. And Rabbit Prototype Co., Ltd amount of Baht 2.15 million.

APPLICAD PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2021

10. PROPERTY, PLANTS AND EQUIPMENT

Property, plants and equipment as at 31 December 2021 and 2020 comprise the following:

	(Unit : Baht)							
	Consolidated							
	Land	Property	Rent buildings improvement	Office Equipment	Tool and Equipment	Vehicles	Assets during installation	Work in Progress Building improvements
Cost								Total
As at 1 January 2021	19,918,461	31,316,435	21,530,404	44,201,140	33,583,073	9,513,652	-	-
Additions	-	-	1,487,982	5,671,080	13,500,942	2,081,000	76,346	992,620
Distribution	-	-	-	(927,015)	-	(2,685,121)	-	-
Transfer in (out)	-	-	70,000	6,346	-	-	(76,346)	(406,000)
amortization	-	-	(284,800)	(521,044)	(13,548)	-	-	(819,392)
As at 31 December 2021	19,918,461	31,316,435	22,803,586	48,430,507	47,070,467	8,909,531	-	586,620
Accumulated Depreciation								
As at 1 January 2021	-	3,696,359	9,942,567	35,296,530	11,248,418	7,255,009	-	67,438,883
Depreciation for the year	-	1,223,644	1,957,063	4,991,195	6,522,055	776,085	-	15,470,042
Depreciation for distribution	-	-	-	(894,715)	-	(2,685,114)	-	(3,579,829)
Depreciation for amortization	-	-	(264,832)	(511,986)	(12,499)	-	-	(789,317)
As at 31 December 2021	-	4,920,003	11,634,798	38,881,024	17,757,974	5,345,980	-	78,539,779
								300,901

APPLICAD PUBLIC COMPANY LIMITED AND SUBSIDIARIES

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(Unit : Baht)

Consolidated

	Consolidated						
	Land	Property	Rent buildings improvement	Office Equipment	Tool and Equipment	Vehicles	Assets during installation
							Work in Progress
							Building improvements
							Total
Differences on translating financial statement							
Book Value							
As at 31 December 2021	19,918,461	26,396,432	11,168,788	9,549,483	29,312,493	3,563,551	586,620
Depreciation for the year 2021 (amount of baht 2.35 million included in the service costs. The rest is included in sales and management costs)							100,796,729
							15,470,042

APPLICAD PUBLIC COMPANY LIMITED AND SUBSIDIARIES
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	Consolidated							(Unit : Baht)
	Land	Property	Rent buildings improvement	Office Equipment	Tool and Equipment	Vehicles	Assets during installation	Total
Cost								
As at 1 January 2020	19,918,461	31,316,435	18,647,844	40,726,707	30,705,403	9,319,501	213,300	150,847,651
Additions	-	-	2,593,120	3,666,419	8,680,729	1,101,600	1,047,000	17,088,868
Distribution	-	-	-	(527,846)	(6,268,059)	(907,449)	-	(7,703,354)
Transfer in (out)	-	-	289,440	335,860	465,000	-	(1,260,300)	(170,000)
As at 31 December 2020	19,918,461	31,316,435	21,530,404	44,201,140	33,583,073	9,513,652	-	160,063,165
Accumulated Depreciation								
As at 1 January 2020	-	2,472,715	8,012,134	30,883,185	12,146,431	7,639,701	-	61,154,166
Depreciation for the year	-	1,223,644	1,930,433	4,921,386	5,068,436	521,492	-	13,665,391
Depreciation for distribution	-	-	-	(508,041)	(5,966,449)	(906,184)	-	(7,380,674)
As at 31 December 2020	-	3,696,359	9,942,567	35,296,530	11,248,418	7,255,009	-	67,438,883
Differences on translating financial statement								(20,589)
Book Value								
As at 31 December 2020	19,918,461	27,620,076	11,587,837	8,904,610	22,334,655	2,258,643	-	92,644,871
Depreciation for the year								
2020 (amount of baht 2.03 million included in the service costs. The rest is included in sales and management costs)								13,665,391

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	Separate						(Unit : Baht)
	Land	Property	Rent buildings improvement	Office Equipment	Equipment	Vehicles	Total
Cost							
As at 1 January 2020	19,918,461	31,316,435	16,864,026	29,744,979	17,268,735	8,763,060	123,875,696
Additions	-	-	2,429,325	2,801,082	8,323,250	1,099,500	14,653,157
Distribution	-	-	-	(413,522)	(3,711,101)	(907,449)	(5,032,072)
Transfer in (out)	-	-	(302,560)	132,560	-	-	(170,000)
As at 31 December 2020	19,918,461	31,316,435	18,990,791	32,265,099	21,880,884	8,955,111	133,326,781
Accumulated Depreciation							
As at 1 January 2020	-	2,472,715	7,120,144	23,075,582	6,109,647	7,054,123	45,832,211
Depreciation for the year	-	1,223,644	1,643,295	3,747,375	3,400,166	508,250	10,522,730
Depreciation for distribution	-	-	-	(393,748)	(3,427,946)	(906,183)	(4,727,877)
As at 31 December 2020	-	3,696,359	8,763,439	26,429,209	6,081,867	6,656,190	51,627,064
Book Value							
As at 31 December 2020	19,918,461	27,620,076	10,227,352	5,835,890	15,799,017	2,298,921	81,699,717
Depreciation for the year							
2020 (Amount of Baht 0.03 million included in the service costs. The rest is included in sales and management costs)							10,522,730

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During the year of 2021, the Group and the Company has distributed machines and equipment to other related companies according to the book value of assets disposed as 0.03 million baht respectively, with the profit from the disposal of assets as 0.66 million baht respectively, which have been recorded in the statement of comprehensive income.

The Group and the Company have written off in the year 2021. Improvements to the leasehold office equipment Because the corporation canceled the leases of buildings and office equipment, the book value of the amortized assets was 0.03 million baht and 0.03 million baht, respectively. Because the equipment cannot be fixed, the management is considering removing it from the property registry.

As at 31 December 2021, land and buildings are valued at cost in the consolidated financial statements in the amount of Baht 23.91 million and the separate financial statements in the amount of Baht 23.91 million which is the net value after accumulated depreciation in the consolidated financial statements amount of Baht 21.19 million and the separate financial statements amount of Baht 21.19 million. Which has been mortgaged as collateral for contingent liabilities. (Note 24.2, 24.3, 24.4)

11. RIGHT OF USE ASSETS

The movement transactions for the year ended 31 December 2021 and 2020 as follow:

(Unit : Baht)

	Consolidated		
	The right -of-use land	The right -of-use building rental area	Total
Cost			
As at 1 January 2020	2,094,323	4,749,611	6,843,934
Additions financial lease	-	-	-
As at 31 December 2020	2,094,323	4,749,611	6,843,934
Additions financial lease	2,054,490	1,184,206	3,238,696
As at 31 December 2021	4,148,813	5,933,817	10,082,630
Accumulated depreciation			
As at 1 January 2020	-	-	-
Depreciaion for the year	(1,116,705)	(2,114,110)	(3,230,815)
As at 31 December 2020	(1,116,705)	(2,114,110)	(3,230,815)
Depreciaion for the year	(1,236,840)	(2,000,911)	(3,237,751)
As at 31 December 2021	(2,353,545)	(4,115,021)	(6,468,566)
Book value			
As at 31 December 2020	977,618	2,635,501	3,613,119
As at 31 December 2021	1,795,268	1,818,796	3,614,064

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(Unit : Baht)

	Separate		
	The right -of-use		Total
	The right -of-use land	building rental area	
Cost			
As at 1 January 2020	2,094,323	1,754,399	3,848,722
Additions financial lease	-	-	-
As at 31 December 2020	2,094,323	1,754,399	3,848,722
Additions financial lease	2,054,490	-	2,054,490
As at 31 December 2021	4,148,813	1,754,399	5,903,212
Accumulated depreciation			
As at 1 January 2020	-	-	-
Depreciaion for the year	(1,116,705)	(923,447)	(2,040,152)
As at 31 December 2020	(1,116,705)	(923,447)	(2,040,152)
Depreciaion for the year	(1,236,840)	(825,785)	(2,062,625)
As at 31 December 2021	(2,353,545)	(1,749,232)	(4,102,777)
Book value			
As at 31 December 2020	977,618	830,952	1,808,570
As at 31 December 2021	1,795,268	5,167	1,800,435

As at 31 December 2021, the Group Company has entered into a land lease agreement as follows:

1. The Company has entered into a land lease agreement with unrelated companie for a period of 3 years, with a period of which the agreement is from 1 March 2021 to 28 February 2024 and rental rate Baht 28,021 per month.
2. The Company has entered into a land lease agreement with unrelated companie for a period of 3 years, with a period of which the agreement is from 1 January 2021 to 31 December 2023 and rental rate Baht 34,737 per month.
3. The Company has entered into a land lease agreement with related companie for a period of 4 years, with a period of which the agreement is from 1 July 2019 to 30 June 2022 and rental rate Baht 50,000 per month.
4. The Company has entered into a building lease agreement with unrelated companie for a period of 3 years, with a period of which the agreement is from 1 April 2019 to 31 December 2022 and rental rate Baht 36,842.11 per month.

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5. The Company has entered into a building lease agreement with unrelated company for a period of 3 years, with a period of which the agreement is from 1 April 2019 to 31 March 2022 and rental rate Baht 36,842.11 per month.
6. The Subsidiaries has entered into a building lease agreement with unrelated companie for a period of 2 years, with a period of which the agreement is from 2 Febuary 2021 to 2 Febuary 2023 and rental rate Baht 52,631.58 per month.
7. A building rental arrangement was taken into by the subsidiary with an unconnected company for a three-year period with a contractual period. (And can be renewed for another three years at the end of the contract) with a rental fee of 21,768.75 baht per month from 1 November 2018 to 31 October 2024.
8. The subsidiary firm has engaged into a one-year building space leasing arrangement with an unrelated company (which can be renewed for another three years at the end of the contract period), with the contract term beginning 1 July 2019 and ending on the date. With a monthly rental rate of 33,193.60 baht on 30 June 2023.

12. OTHER INTANGIBLE ASSETS

The movements of intangible assets for the year ended 31 December 2021 and 2020 comprise the following:

	(Unit : Baht)	
	Consolidated	Separate
Cost		
As at 1 January 2020	5,329,441	5,243,366
Additions	3,587,216	3,554,382
As at 31 December 2020	8,916,657	8,797,748
Additions	12,320,863	12,263,151
As at 31 December 2021	21,237,520	20,610,899
Amortization		
As at 1 January 2020	(2,765,793)	(2,715,178)
Amortization for the year	(815,536)	(777,559)
As at 31 December 2021	(3,581,329)	(3,492,737)
Amortization for the year	(811,634)	(759,316)
As at 31 December 2021	(4,392,963)	(4,252,053)
Book value		
As at 31 December 2020	5,335,328	5,305,011
As at 31 December 2021	16,844,557	16,808,846

Amortization charge in the consolidated and separate financial statements are of Baht 0.81 million and 0.76 million is recorded in administrative expenses, respectively.

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During the year of 2021, the company has been recorded expenses directly related to get Intangible Assets as following Salary Improvement Program amount of Baht 8.85 million.

The Group possesses intangible assets of Baht 15.03 million that are still under development and have not yet began amortization as of 31 December 2021 (as of 31 December 2020 amount of Baht 3.35 million).

13. TRADE AND OTHER CURRENT PAYABLES

Trade and other current payables as at 31 December 2021 and at 31 December 2020 comprise the following:

	(Unit : Baht)			
	Consolidated		Separate	
	As at	As at	As at	As at
	31 December	31 December	31 December	31 December
	2021	2020	2021	2020
Trade				
- Related parties	-	-	2,433,011	748,893
- Unrelated parties	63,534,151	48,435,442	58,193,516	45,244,140
Other Trade payables	19,115,022	11,540,699	15,609,952	8,067,008
Accrued expenses	38,482,942	31,842,090	34,421,058	28,930,373
Total Trade and other current payables	121,132,115	91,818,231	110,657,537	82,990,414

14. LEASE LIABILITIES

Lease Liabilities as at 31 December 2021 and at 31 December 2020 comprise the following:

	(Unit : Baht)			
	Consolidated		Separate	
	As at	As at	As at	As at
	31 December	31 December	31 December	31 December
	2021	2020	2021	2020
As at 1 January	3,724,726	6,843,934	1,864,978	3,848,722
Addition/ lease term reconsidering	3,238,696	-	2,054,490	-
Accretion of interest	330,069	340,761	177,817	185,099
Payments	(3,523,338)	(3,459,969)	(2,232,209)	(2,168,843)

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	(Unit : Baht)			
	Consolidated		Separate	
	As at	As at	As at	As at
	31 December	31 December	31 December	31 December
	2021	2020	2021	2020
As at 31 December	3,770,153	3,724,726	1,865,076	1,864,978
Less Current portion due within one year	(2,290,607)	(2,075,490)	(1,084,734)	(1,461,013)
Finance lease liabilities - net of current portion due more than one year	1,479,546	1,649,236	780,342	403,965

The following are the amounts for the year ended 31 December 2021 and 2020 recognised in profit or loss:

	(Unit : Baht)			
	Consolidated		Separate	
	As at	As at	As at	As at
	31 December	31 December	31 December	31 December
	2021	2020	2021	2020
Depreciation of right-of-use assets	3,237,751	3,230,815	2,062,625	2,040,152
Interest expense on lease liabilities	330,069	340,761	177,817	185,099
Total	3,567,820	3,571,576	2,240,442	2,225,251

15. PROVISION FOR LONG-TERM EMPLOYEE BENEFITS

	(Unit : Baht)			
	Consolidated		Separate	
	As at	As at	As at	As at
	31 December	31 December	31 December	31 December
	2021	2020	2021	2020
The benefit obligations at the beginning of the year	41,650,941	36,800,409	34,664,570	31,412,312
Current service costs	4,746,157	4,972,125	4,083,449	3,843,193
Interest costs	990,840	574,276	565,234	505,348
Transfer employees	-	-	(400,214)	(384,069)
Differences on translating				
Financial statement	3,361	25,345	-	-
Benefits paid during the year	(697,832)	(721,214)	(697,832)	(721,214)
The benefit obligations at the end of the year	46,693,467	41,650,941	38,215,207	34,664,570

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	(Unit : Baht)			
	Consolidated		Separate	
	As at	As at	As at	As at
	31 December	31 December	31 December	31 December
	2021	2020	2021	2020
The benefit obligations	46,693,467	41,650,941	38,215,207	34,664,570
<u>Less</u> Current portion of				
long-term	(1,448,132)	(1,755,354)	(1,241,854)	(1,578,090)
The benefit obligations - Net	<u>45,245,335</u>	<u>39,895,587</u>	<u>36,973,353</u>	<u>33,086,480</u>

In 2021, 2 employees were transferred to Rabbit Prototype Company Limited, resulting in a 0.47 million baht decrease in the provision for employee benefits and has transferred 1 employee from Rabbit Prototype Company Limited, resulting in an increase of 0.07 million baht in employee benefit provision.

In 2020, 1 employee was transferred to DETI Company Limited, resulting in a loss of 0.38 million baht in the provision for employee benefits.

Expenses relating to long-term employee benefits recognized in profit or loss.

	(Unit : Baht)			
	Consolidated		Separate	
	As at	As at	As at	As at
	31 December	31 December	31 December	31 December
	2021	2020	2021	2020
Cost of Selling and Service	820,985	467,985	119,614	159,543
Selling and Administrative				
expenses	<u>4,916,012</u>	<u>5,078,416</u>	<u>4,529,069</u>	<u>4,188,998</u>
Total	<u>5,736,997</u>	<u>5,546,401</u>	<u>4,648,683</u>	<u>4,348,541</u>

The Groups company and the company expect to pay the long-term benefits of employees within one year forward from the consolidated financial statements which are approximately amount of Baht 1.45 million Baht (2020 : amount of Baht 1.76 million) and the separate financial statements which are 1.24 million Baht (2020 : amount of Baht 1.58 million).

As at 31 December 2021, the weighted average duration to pay the long-term benefits of employees of the Company and its subsidiaries in the consolidated financial statements are approximately about 14.9 years (2020: 14.9 years)

The key assumptions for estimation as the actuarial science to calculate the provisions for employees' benefits are as follows:

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	Consolidated	
	As at 31 December 2021	As at 31 December 2020
Discount rate (percent per year)	1.19 - 8.70	1.19 - 8.70
Average salary increases rate (percent per year)	6 - 8	6 - 8
Turnover rate	0 - 23	0 - 23
Retirement	55	55
	Separate	
	As at 31 December 2021	As at 31 December 2020
Discount rate (percent per year).	1.19 - 2.23	1.19 - 2.23
Average salary increases rate (percent per year)	6 - 8	6 - 8
Turnover rate	0 - 23	0 - 23
Retirement	55	55

The analysis of the sensitivity of the key assumptions as the actuarial science which affects the increases (decreases) of the employees' benefit obligations as at 31 December 2021 are as follows

	(Unit : Baht)			
	Changes in present value of employee benefit obligations increased (decreased)			
	Consolidated		Separate	
	Increase 1.00%	Decrease 1.00%	Increase 1.00%	Decrease 1.00%
Discount rate	(4,081,376)	4,711,842	(3,597,268)	4,157,612
Salary increase rate	6,331,831	(5,594,811)	5,567,341	(4,912,916)

	(Unit : Baht)			
	Changes in present value of employee benefit obligations increased (decreased)			
	Consolidated		Separate	
	Increase 20.00%	Decrease 20.00%	Increase 20.00%	Decrease 20.00%
Employee turnover rate	(5,083,261)	6,686,683	(4,666,978)	5,981,962

The analysis of the sensitivity above might not show the actual changes in the employee's benefit obligations because it is difficult to change the various assumptions that arise separately from the other assumptions which may be relevant.

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The analysis of the due of the amount of the benefit payables in the future before the discount as at 31 December 2021 are as follows

	(Unit : Baht)	
	Consolidated	Separate
Within 1 year	1,448,132	1,241,854
More than 1 year but not over 5 years	15,179,706	13,676,328
More than 5 years	90,236,793	77,836,163

16. LEGAL RESERVE

Under the Public Limited Companies Act, the Company is required to set aside as a legal reserve at least 5 percent of its net profit after accumulated deficit brought forward until the reserve is not less than 10 percent of the registered capital. The legal reserve is not distributable as a dividend.

17. DIVIDEND

Dividend	Approved by	Dividend payment		Due date
		Dividend payment (Million Baht)	per share (Baht)	
Dividend from profit 2021	The Board of Directors			
	Meeting No.1/2022			23 May
	On 25 February 2022	56.00	*0.20	2022
Dividend from profit 2020	The Board of Directors			
	Meeting No.1/2021			
	On 25 February 2021	42.00	**0.15	14 May 2021
The interim dividend from profit 2019	The Board of Directors			
	Meeting No.3/2020			30 April
	On 8 April 2020	28.00	***0.10	2020

*According to the resolution of the Board of Directors' Meeting No.1/2022 on 25 February 2022. The approval of dividend payment from the Company's operating performance for the year ended 31 December 2021 at the amount of 0.20 baht per share as the total amount of 56,000,000 baht and presentation to the General Meeting Shareholders for consider. The record date for determining the list of shareholders eligible for the dividend will be 6 May 2022, and the dividend will be paid by 23 May 2022.

**According to the resolution of the Board of Directors' Meeting No.1/2021 on 25 February 2021. The approval of dividend payment from the Company's operating performance for the year ended 31 December 2020 at the amount of 0.15 baht per share as the total amount of 42,000,000 baht. The record date to determine the list of

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shareholders who are entitled to receive the dividend will be on 28 April 2021 and the dividend payment will be made within 14 May 2021.

***According to the resolution of the Board of Directors' Meeting No. 3/2020 on 3 April 2020, the meeting resolved to approve the interim dividend payment from the Company's profits for the year ended 31 December 2019 at the rate of 0.10 baht per share, total amount of baht 28,000,000. However, a resolution was passed to change the date on which the list of shareholders entitled to receive dividends (Record date) was originally scheduled on 27 April 2020, changed on 17 April 2020, and the dividend payment date was set. Previously scheduled on 15 May 2020, changed on 30 April 2020.

18. EXPENSES BY NATURE

The following significant expenditure items, classified by nature are as follows:

	(Unit : Baht)			
	Consolidated		Separate	
	2021	2020	2021	2020
Salaries and other benefits of				
employees	177,068,715	172,403,660	147,909,681	144,551,953
Commission	56,216,759	50,466,776	53,070,067	45,091,208
Depreciation and amortization	19,519,427	17,711,742	15,143,017	13,340,441
Goods and services	430,748,375	331,235,333	366,955,671	287,678,361
Changes in inventories	18,376,911	11,503,069	12,673,613	9,831,270

19. PROVIDENCE FUND

The Company and the employees of the Company have established the providence fund as the Provident Fund Act, B.E. 2530. The Company and the employees will monthly pay the contributions to the fund at the rate of 2-5 percent of salary. This providence fund is under the management of Kasikornthai Asset Management Company Limited and these contributions will be paid back to the employees when resigning as the regulations of the Company's fund. In during the year 2020, the Company and its subsidiaries acknowledge these contributions as the amount of Baht 0.34 million and 0.39 million, respectively.

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20. INCOME TAX

Income tax expense for the years ended 31 December 2021 and 2020 are as follows:

	(Unit : Baht)			
	Consolidated		Separate	
	2021	2020	2021	2020
Current income tax:				
Income tax for the years	17,986,414	14,104,901	17,155,262	14,104,901
Deferred income tax				
Deferred income tax from temporary differences and reversal of temporary differences	4,822,912	(2,012,949)	6,835,772	(2,079,960)
Income tax expense shown in statement of comprehensive income	<u>22,809,326</u>	<u>12,091,952</u>	<u>23,991,034</u>	<u>12,024,941</u>

The reconciliations between accounting profits and income tax expenses are as follows:

	(Unit : Baht)			
	Consolidated		Separate	
	2021	2020	2021	2020
Accounting profit before income tax	81,534,467	57,073,475	83,220,243	62,023,961
Division of accounting profit before income tax in each income tax's rate of the Company and its subsidiaries are as follows				
Exemption of income tax	-	-	-	-
Income tax rate of 20 percent	<u>81,534,467</u>	<u>57,073,475</u>	<u>83,220,243</u>	<u>62,023,961</u>
Accounting profit before income tax				
Multiplied by the tax rate	16,306,893	11,414,695	16,644,049	12,404,792
Tax impact for:				
Expenses cannot be deducted as expenditure for tax	2,175,298	2,745,048	1,747,864	2,331,923
Tax loss of subsidiaries that has not been recorded as deferred assets	445,871	823,179	-	-
The expense account with more deductions	<u>(941,648)</u>	<u>(878,021)</u>	<u>(1,236,651)</u>	<u>(631,814)</u>
Total	17,986,414	14,104,901	17,155,262	14,104,901

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	(Unit : Baht)			
	Consolidated		Separate	
	2021	2020	2021	2020
Deferred tax arising from temporary differences and reversal of temporary differences	4,822,912	(2,012,949)	6,835,772	(2,079,960)
Income tax expense show in statement of comprehensive income	22,809,326	12,091,952	23,991,034	12,024,941

The components of deferred tax assets and the deferred tax liabilities comprise of the following:

	(Unit : Baht)			
	Statements of financial position			
	Consolidated		Separate	
	As at	As at	As at	As at
	31 December	31 December	31 December	31 December
	2021	2020	2021	2020
Deferred tax assets				
Allowance for doubtful accounts				
- loans to subsidiaries	-	-	1,470,089	2,137,774
Allowance for doubtful accounts	257,644	229,507	406,171	799,031
Allowance for product impairment	925,734	733,376	851,595	707,825
Allowance for impairment of investment in subsidiaries	-	-	1,876,081	1,222,347
Reverse of long-term employee's benefits	8,785,940	7,706,576	7,643,042	6,932,914
Unused tax loss	1,192,216	-	-	-
Short-term provision	336,591	7,619,450	336,591	7,619,450
Total	11,498,125	16,288,909	12,583,569	19,419,341

As at 31 December 2021, the subsidiaries have the transections of the temporary differences for tax deductions and the unused tax losses which will gradually end of the benefit period within 5 years as 0.17 million baht that the subsidiaries have not record the deferred tax assets because the Company already considered that the subsidiaries might not have the sufficient taxable profits to utilize the the temporary differences and the unused tax losses mentioned above.

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21. EARNING PER SHARE

Basic earnings per share are calculated by dividing profit for the years attributed to equity holders of the Company. (Excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

(Unit : Baht)

	Consolidated		Separate	
	2021	2020	2021	2020
For the years ended 31 December				
Profit (loss) attributable to equity holders				
of the Company (Baht)	58,459,215	44,996,940	59,229,209	49,999,020
Effect of dilutive potential ordinary				
shares (shares)	280,000,000	280,000,000	280,000,000	280,000,000
Basic earnings (loss) per shares	0.21	0.16	0.21	0.18

22. RELATED PARTY TRANSACTIONS

The Company and its subsidiaries have the number of accounting transactions occurred with the related parties, assets, liabilities, income and the number of expenses occurred from the transactions with the related parties above. These related parties are associated with the shareholders and/or the same group of committees. These financial statements include the results of such transactions as following criteria.

Relationship

Name of Company	Relationship
Deti Company Limited	Subsidiaries
Rabbit Prototype Company Limited	Subsidiaries
PT Indonesia AppliCAD Company Limited	Subsidiaries

During the year, the Company and its subsidiaries had significant business transactions with related parties. Such transactions, which were summarized below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

(Unit : Baht)

	For the years ended 31 December			
	Consolidated		Separate	
	2021	2020	2021	2020
<u>Transactions with subsidiaries</u>				
(Eliminated from the consolidated financial statements)				
Revenue from sales	-	-	2,440,186	1,556,300
Revenue from services	-	-	140,531	1,020,356
Other income	-	-	1,259,988	216,000

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(Unit : Baht)

For the years ended 31 December			
Consolidated		Separate	
2021	2020	2021	2020

Transactions with subsidiaries

(Eliminated from the consolidated financial statements)

Purchasing	-	-	1,111,354	538,241
Purchasing of service	-	-	9,468,377	8,838,967
Other Expense	-	-	229,500	555,554
Interest received	-	-	708,631	576,912

The Company has agreed to enter into a service contract with PT Indonesia AppliCAD Company Limited at amount of USD 2,656.25 per month. The contract is for a period of 1 year from 1 January 2021 to 31 December 2021. (At present, the contract has been extended for another year until 31 December 2022)

The Company has entered land's committee agreement. The rental rate is Baht 50,000 per month. The agreement had a period of 3 years on 1 July 2019 to 30 June 2022.

The balances of the accounts as at 31 December 2021 and at 31 December 2020 between the Company and those related parties are as follows:

(Unit : Baht)

Consolidated		Separate	
As at	As at	As at	As at
31 December	31 December	31 December	31 December
2021	2020	2021	2020

Trade and other receivables - related parties

Subsidiaries	-	-	2,192,692	3,245,014
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Trade and other payables - related parties

Subsidiaries	-	-	2,433,011	748,893
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Loans and accrued interest receivable to related parties

Outstanding of loans and accrued interest receivable among company and subsidiaries, related companies and directors as at 31 December 2021 and at 31 December 2020, the movements of loans and accrued interest receivable were as follows:

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	(Unit : Baht)			
	Separate			
	Balance as at 31 December			Balance as at 31 December
Loans	2020	Increase	(Decrease)	2021
Subsidiaries	24,813,555	7,335,000	(3,447,326)	28,701,229
Accrued interest				
receivables	1,307,486	708,631	(79,326)	1,936,791
Less Allowance for				
doubtful debts	(10,688,869)	(2,115,448)	5,453,871	(7,350,446)
Total	15,432,172	5,928,183	1,927,219	23,287,574

As at 31 December 2021, the Company has loans under agreements with relates companie amount of Baht 32.16 million, as follows:

1. Deti Company Limited, the agreement has an interest rate of 2.85 percent per annum and payment conditions; when the borrower asked the sum of 2.70 million baht.
2. Deti Company Limited, the agreement has an interest rate of 5.25 percent per annum and payment conditions; installments starting from 31 March 2021 to 28 February 2022, amount of Baht 2.00 million, the company received a principle amount of Baht 1.66 million and accrued interest, amount of Baht 0.06 million.
3. Deti Company Limited, the agreement has an interest rate of 5.25 percent per annum and payment conditions; installments starting from January 2022 to December 2022, amount of Baht 2.00 million.
4. Rabbit Prototype Company Limited, the agreement has an interest rate of 2.85 percent per annum and payment conditions; when the borrower asked the sum of 0.53 million baht.
5. Rabbit Prototype Company Limited, the agreement has an interest rate of 1.50 percent per annum and payment conditions; when the borrower asked the sum of 1.00 million baht.
6. Rabbit Prototype Company Limited, the agreement has an interest rate of 1.30 percent per annum and payment conditions; when the borrower asked the sum of 2.00 million baht.
7. Rabbit Prototype Company Limited, the agreement has an interest rate of 6.25 percent per annum and payment conditions; when the borrower asked the sum of 0.80 million baht.
8. Rabbit Prototype Company Limited, the agreement has an interest rate of 6.275 percent per annum and payment conditions; when the borrower asked the sum of 2.60 million baht.
9. Rabbit Prototype Company Limited, the agreement has an interest rate of 5.575 percent per annum and payment conditions; when the borrower asked the sum of 2.00 million baht.
10. PT Indonesia AppliCAD Company Limited, the agreement has an interest rate of 6.25 percent per annum and payment conditions; when the borrower asked the sum of 7.17 million baht and the Company has recorded fully allowance for impairment.

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11. PT Indonesia AppliCAD Company Limited, the agreement has an interest rate of 4.00 percent per annum and payment conditions; when the borrower asked the sum of 2.95 million baht and the Company has recorded fully allowance for impairment.
12. PT Indonesia AppliCAD Company Limited, the agreement has an interest rate of 3.80 percent per annum and payment conditions; when the borrower asked the sum of 3.07 million, the company received a principle amount of Baht 1.79 million.
13. PT Indonesia AppliCAD Company Limited, the agreement has an interest rate of 5.25 percent per annum and payment conditions; by initiating installments it will be divided into principle payments from December 2021 to January 2022 and interest payments from October 2021 to January 2022 amount of Baht 3.34 million, the company received a principle amount of Baht 0.02 million.

During the year 2021, the Company's management considers the recoverable amount from the subsidiary. Using a discounted present value forecast of predicted future cash flows. However, because the estimated return value for the loan account was insufficient, the allowance for impairment of DETI Company Limited's loans in the amount of 2.12 million baht.

During the year 2021, the Company's management considers the recoverable amount from the subsidiary. Using a discounted present value forecast of predicted future cash flows. Due to this company's performance has improved significantly. As a result, PT Indonesia AppliCAD Company Limited's allowance for loss on loans was reversed in the amount of 5.45 million baht.

The significant transactions between the Group and the companies and related parties which has been included in the financial statements as at 31 December 2021 and 31 December 2020 as follows:

	(Unit : Baht)			
	Consolidated / Separate			
	As at 1 January 2021	Increase	(Decrease)	As at 31 December 2021
<u>Lease liabilities</u>				
Mr. Prapas Tangadulrat (Director)				
Lease liabilities	900,000	-	(600,000)	300,000
Deferred interest expenses	(43,192)	-	37,778	(5,414)
Lease liabilities - net	856,808	-	(562,222)	294,586

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Remuneration of directors and management

During the years ended 31 December 2021 and 2020, the Company and its subsidiaries had employee benefit expenses paid to directors and management as follows:

	(Unit : Baht)			
	For the years ended 31 December			
	Consolidated		Separate	
	2021	2020	2021	2020
Short-term employee benefits	16,720,691	17,389,147	14,247,821	14,806,683
Post employment benefits	-	609,824	-	495,396
Total	16,720,691	17,998,971	14,247,821	15,302,079

	(Unit : Baht)			
	For the years ended 31 December			
	Consolidated		Separate	
	2021	2020	2021	2020
Provision for employee benefits				
- Management	7,220,575	6,603,918	4,674,579	4,655,740

23. FINANCIAL STATEMENTS BY SEGMENT

This operating segment information presented is consistent with internal report which the board of directors have been regularly reviewed. This is used to make decisions about allocating resources to the segment and evaluating the performance of the segment.

For administrative purposes, the Company and its subsidiaries are structured as a business unit by type of products and services. The Company and its subsidiaries have three reportable segments as follows:

1. Computer software sales division it is a sales division of computer programs for specific applications and peripherals.
2. Sale division of machinery, equipment and other products as part of sale division of machinery, computer parts, spare parts, materials and other product.
3. Service division as part of computer maintenances services, design and manufacture of industrial parts and prototypes and other services.

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The top decision makers review the performance of each business unit separately for the purpose of making decision regarding resource allocation and performance appraisal. The Company evaluated the performance of the segment by considering from operating profit or loss and total assets measured by using the same criteria used to measure profit or loss from operations and total assets in the financial statements. However, the Company and its subsidiaries have central management which manages finance (including financial expenses and financial income) and the income tax of the whole group. Such revenues and expenses are not allocated to each operating segment.

Accounting for transactions between reporting segments is the same as accounting for business transactions with outsiders.

Information of income, profit and total assets of the company and its subsidiaries for the years 31 December 2021 and 2020 are as follows:

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	For the years ended 31 December						(Unit : Million Baht)
	Sale department / used rental computer program		Sale department machine, equipment and other products		Service department		Consolidated
	2021	2020	2021	2020	2021	2020	2020
Timing of revenue recognition							
Point in time	260	278	194	87	24	17	382
Over time	7	-	-	-	300	266	266
Total income	267	278	194	87	324	283	648
Revenue from sales and services	267	278	194	87	324	283	648
Profit of segment	109	127	62	32	171	151	310
Unallocated revenue and expenses:							
Other income							10
Distribution costs							(163)
Administrative expenses							(100)
Finance costs							-
Income tax expenses							(12)
Profit for the years							45

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	For the years ended 31 December						(Unit : Million Baht)	
	Sale department / used rental computer program		Sale department machine, equipment and other products		Service department			Consolidated
	2021	2020	2021	2020	2021	2020		
Total assets								
Trade and other current receivable	29	27	11	8	34	25	74	
Prepaid service costs	-	-	-	-	104	73	104	
Inventories	19	14	25	18	3	2	47	
Central assets							121	
Other assets							387	
Total assets							660	

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Revenue from external customers is based on locations of the customers.

	(Unit : Million Baht)	
	2021	2020
Revenue from external customers		
Thailand	730	612
Indonesia	55	36
Total	785	648

Major customers

In 2021 and 2020, the company has not revenue from one customer that is equal to or more than 10 percent of total revenue.

24. COMMITMENTS AND CONTINGENT LIABILITIES**24.1. Capital commitments**

As at 31 December 2021 and 31 December 2020, the company and its subsidiaries have commitments in respect of the expenditure as are follow:

	(Unit : Million Baht)			
	Consolidated		Separate	
	As at	As at	As at	As at
	31 December	31 December	31 December	31 December
	2021	2020	2021	2020
Building improvements	0.32	-	0.32	-
Total	0.32	-	0.32	-

The Company and its subsidiaries entered into operating lease agreements related to building lease and service contract. The term of the agreement is from 1 to 3 years.

As at 31 December 2021 and 31 December 2020, the Company and its subsidiaries have paid minimum amount in the future under operating leases and services are as follows:

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	(Unit : Million Baht)			
	Consolidated		Separate	
	As at	As at	As at	As at
	31 December	31 December	31 December	31 December
	2021	2020	2021	2020
Payment				
Due within one year	2.24	1.94	1.03	0.99
Due over 1 year but not				
over 3 years	0.26	0.32	0.20	0.32

24.2. Guarantees

As at 31 December 2021, there were outstanding bank guarantees of approximately amount of Baht 20 million to performance guarantee of the contract. (2020: 20 million baht)

	(Unit : Baht)	
	Consolidated / Separate	
	As at 31	As at 31
	December 2021	December 2020
Used credit to guarantee		
- Performance under contract	6,855,608	6,035,148

24.3. Letter of credit and trust receipts

The Company has credit facilities of letters of credit and trust receipts amount of Baht 33 million, as at 31 December 2021, the Company has not used such credit lines.

24.4. Forward foreign currency exchange contracts

As at 31 December 2021, the Company has forward foreign exchange contracts settlement date on open forward contracts ranged 4 months foreign currency was USD and amounts to be received and contractual exchange rates of the outstanding contracts were:

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(Unit : Baht)

Contract period	Consolidated / Separate					
	Contract amount		Contract exchange rate		As at 31 December 2021	As at 31 December 2020
	As at 31 December 2021	As at 31 December 2020	As at 31 December 2021	As at 31 December 2020		
5/11/2020 - 5/03/2021	-	200,000	-	31.25	-	6,250,000
12/10/2021 -14/02/2022	150,000	-	33.85	-	5,077,500	-
12/10/2021- 14/02/2022	120,000	-	33.80	-	4,056,000	-
7/12/2021 - 8/04/2022	200,000	-	33.85	-	6,770,000	-
24/12/2021 -27/04/2022	277,000	-	33.62	-	9,312,740	-
24/12/2021- 27/04/2022	200,000	-	33.55	-	6,710,000	-
30/12/2021 - 5/05/2022	1,000,000	-	33.47	-	33,470,000	-

Fair value

The net fair value of forward foreign exchange contracts as at 31 December 2021, is forward foreign exchange contracts as liabilities amount of Baht 0.33 million.

The fair value of forward foreign exchange contracts has been calculated using rate quoted by the counterpart bank to terminate the contract on 31 December 2021. The valuation is classified as level 2 of the fair value hierarchy.

From the under notes about obligations and contingent liabilities (Notes 25.1 - 25.4), the company has used the land and building mortgage as security for contingent liabilities. (Note 10)

25. FINANCIAL INSTRUMENTS**25.1. Risk Management Policy**

The Company's and its subsidiaries financial instruments, as defined under Thai Accounting Standard No. 107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, trade receivables and other receivables, term loans and accrued interest receivable to related parties, short - term borrowings from financial institutions, trade payables and other payables, short - term borrowings and accrued interest payable from related parties, Advances received from Directors and Liabilities under finance lease and hire purchase agreements. The Company and its subsidiaries have risk relevant financial instruments and have a risk management policy as follow:

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Credit risk

The Company and its subsidiaries have credit risk relevant to trade receivables and other receivables and term loans. The management controls the risk by assign appropriate credit control policies and procedures, therefore the company and its subsidiaries do not expect to incur material losses from credit. In addition, the Company does not have high concentration of credit risk since it has a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of trade receivables and other receivables, term loan receivable and accrued interest receivables to related parties as stated in the statements of financial position.

Interest rate risk

The Company's and its subsidiaries have interest rate risk relates primarily to its deposits at financial institutions, short-term loans and accrued interest receivable to related parties, short - term borrowings from financial institutions and short - term borrowings and accrued interest payable from related parties, mostly financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate in the present. Significant financial assets and liabilities can be classified by interest rate for financial assets and liabilities that carry fixed interest rates can be classified by maturity date or the new interest rate date. (If there is a new interest rate date before) as follows:

(Unit : Million Baht)

	Consolidated					
	As at 31 December 2021					
	Fixed interest rate		Interest Rate			
	Within	Over	Up or Down	None		Real
	1 year	1 to 5 years	depending on	Rate	Total	interest rate
			Market Price	interest		(%)
Financial assets						
Cash and cash equivalents	-	-	360.82	-	360.82	0.05 - 0.40
Trade and other current receivable	-	-	-	84.23	84.23	-
Other currnt financial assets	-	-	1.00	-	1.00	0.55
Financial liabilities						
Trade and other current payables	-	-	-	121.13	121.13	-
Lease liabilities	2.29	1.48	-	-	3.77	6.275

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(Unit : Million Baht)

Consolidated						
As at 31 December 2020						
Fixed interest rate		Interest Rate				
Within	Over	Up or Down	None			
1 year	1 to 5 years	depending on	Rate			
		Market Price	interest	Total	Real	interest rate
						(%)
Financial assets						
Cash and cash equivalents	-	-	362.34	-	362.34	0.05 - 0.40
Trade and other current receivable	-	-	-	69.69	69.69	-
Financial liabilities						
Trade and other current payables	-	-	-	91.82	91.82	-
Lease liabilities	2.08	1.65	-	-	3.73	6.275

Foreign exchange risk

As at 31 December 2021 and 31 December 2020, Group Company's exposure to foreign currency risk arises mainly from trading transactions and loans that are denominated in foreign currencies are as follow:

		As at 31 December 2021	As at 31 December 20210
	Currency		
Accounts receivable in foreign currencies	US Dollar	71,222	114,120
Accounts payable in foreign currencies	US Dollar	1,448,577	1,198,766
	EURO	5,961	114,120

25.2. Fair value of financial instruments

Since the majority of the Company's financial instruments are short-term in nature or bear floating interest rates, their fair value is not expected to be materially different from the amounts presented in the statements of financial position.

A fair value is the amount for which an asset can be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction. The fair value is determined by reference to the market price of the financial instrument or by using an appropriate valuation technique, depend on the nature of the instrument.

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26. CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to ensure that it has an appropriate financial structure and preserves the ability to continue its business as a going concern and strengthen the value of shareholding to shareholder.

According to the statements of financial position as at 31 December 2021, the Group's debt to equity ratio was 1.1:1 (as at 31 December 2020: 0.9:1) and separate was 1.0:1 (as at 31 December 2020: 0.9:1)

27. SUBSEQUENT EVENT

At the Board of Directors' Meeting No. 1/2022 on 25 February 2022, has approved the following matters:

- Approved the schedule for the 2022 Annual General Meeting of Shareholders by holding the meeting on Tuesday, 28 April 2022 at True Digital Park, 6th Floor, Auditorium Room 101, Sukhumvit Road, Bang Chak, Phra Khanong, Bangkok, at 10:00 a.m.
- The meeting passed a resolution approving to propose that the Meeting of Shareholders to be approve the payment of dividends for the operating performance ended as at 31 December 2021. The company has the net profit amount of Baht 59,229,208. Part of which is classified as legal reserve amount of Baht 3,056,720 and pay dividends at Baht 0.20 per share, The total amount of Baht 56,000,000. The list of shareholders entitled to receive such dividend will be determined on 6 May 2022, and the dividend will be paid by 23 May 2022, but the right to receive such dividend is still uncertain because it needs to be approved by the shareholders' meeting first.

28. APPROVAL OF FINANCIAL STATEMENT

These financial statements were authorized for issue by the Board of Directors on 25 February 2022.

AppliCAD

WHERE INNOVATION BEGINS.



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